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CITY OF SANTA CRUZ

*Beach and South of Laurel
Comprehensive Area Plan*

OCTOBER 1998

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City of Santa Cruz

Beach and South of Laurel
Comprehensive Area Plan

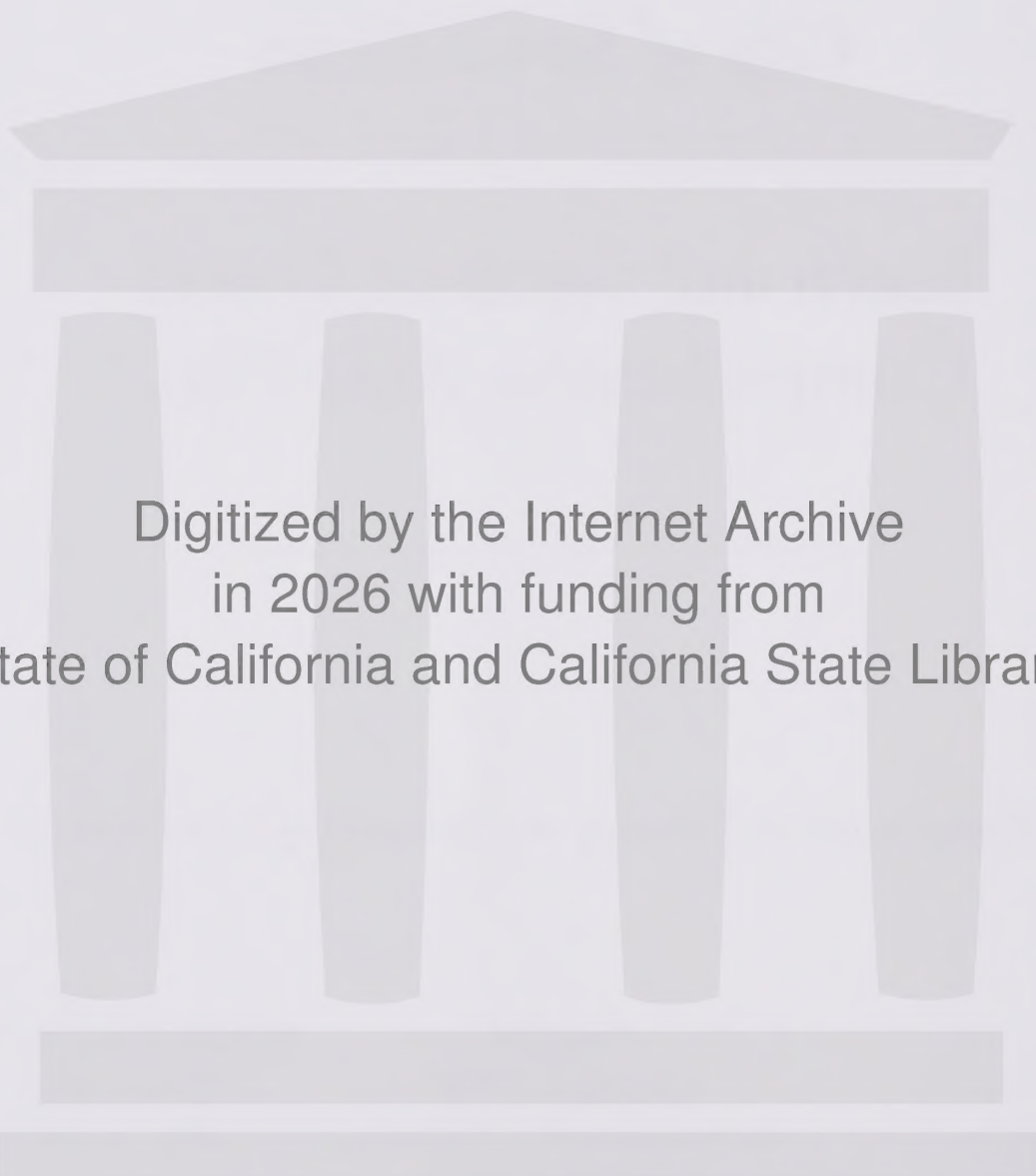
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Transportation Analysis

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Wallace, Roberts & Todd

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PREFACE

Development of this Plan included consideration of several components which were analyzed in the Environmental Impact Report, but were ultimately modified or eliminated from the adopted *Beach and South of Laurel Comprehensive Area Plan*. Three such components were:

- Realignment of Third Street, with some shift in bordering land uses,
- Expansion of the Boardwalk Amusement Park,
- Development of a parking structure and up to 225,000 square feet of commercial space for retail and entertainment uses on the main Beach Parking Lot.

In adopting this Plan, the City Council eliminated consideration at this time of the realignment of Third Street and the expansion of the Boardwalk. The Council directed that commercial/retail development on the Main Beach Park Lot be reduced to less than 125,000 square feet through the creation of a specific overlay zone on the site which provides performance criteria and standards to govern development in a manner that is less intensive than originally proposed. The parameters of development on this site will ultimately be determined through a subsequent planning process.

Additionally, the Council stipulated that a plan amendment would be required to re-incorporate any of these three elements, and established the following prerequisites for consideration of any such amendment:

- Completion of a broad-based planning process to address the component(s),
 - Preparation of one or more initial studies or similar environmental documents to determine whether the certified Final EIR for the adopted Plan remains legally adequate for purposes of action on such components, and
 - Assessment of public benefits, and agreement of owner/developer participation in providing such benefits.
-

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INTRODUCTION & PURPOSE

INTRODUCTION

OVERVIEW

The Beach and South of Laurel area is a priceless resource for the City of Santa Cruz. Its matchless location on the Monterey Bay, its neighborhoods and its national visitor attractions of the Beach, the Wharf and the Boardwalk represent a rich legacy from the past and a pledge against the future.

In the minds of many - both inside and outside of the City - the Beach and the Boardwalk are synonymous with Santa Cruz. It is not only the location of some of the City's most spectacular physical assets but also home to thousands of permanent residents.

Here distinctive and diverse neighborhoods co-exist with major national attractions drawing millions of visitors to the area each year. Issues related to this juxtaposition of land uses – of national tourism and permanent residential use – are the central focus of this planning effort. The following plan is devoted to improving the relationship between these two functions. Its goal is to enhance the residential quality of life while ensuring compatible development in these two vital parts of our City.

It is a central premise of this plan that the health of the neighborhoods is linked to the health of the commercial areas. The future of the Beach and South of Laurel lies in the City's ability to design and implement a revitalization effort which benefits its neighborhoods while ensuring the area's health, safety and economy.

As the twenty-first century approaches, the Beach and the South of Laurel – and the quality of life of its citizens – are increasingly affected by the forces of change both within and without:

- The Beach Flats community has become the most densely populated, poorest neighborhood in the City with the majority of its badly maintained rental housing concentrated in the hands of a small number of absentee landlords.
- Increasing numbers of vehicles are coming to the area in strong peak seasonal surges.
- Changing national tourism trends document growing demand for higher quality facilities and well-maintained attractions.
- Home ownership in the Beach and South of Laurel is the lowest percentage in the City, and some of the neighborhoods are “at risk.”

How the City responds to these and similar issues will, to a large extent, determine whether the City will continue to prosper in the twenty-first century.

It is clear that Beach Flats must once again become a *livable* community, where residents eagerly seek to live and raise their families. Over the past two decades, the quality of life in this small neighborhood deteriorated dramatically. Where once over 70% of the homes in this community were owner-occupied, now Home ownership is less than 1%. Where once this neighborhood was sought out for its small scale friendly lifestyle, now over 69% of residents say they would live anywhere else in the City – if they could. Recent City initiatives to address the issues of neighborhood safety and living conditions have laid the foundation for the specific recommendations in this Plan.

These conditions result in the unusual urban juxtaposition of the most densely populated, poorest neighborhood in the City, effectively isolated and contained within a nine-acre section, located directly across from a national tourism attraction, the Santa Cruz Boardwalk, the destination of millions of visitors annually.

This has long posed a unique challenge to the urban policies of Santa Cruz. The 1980 *Beach Area Plan* addressed this challenge with recommendations for clearly identifying the Beach Flats as a residential area and restricting the established commercial land use designations to the perimeter of the neighborhood. The 1980 *Plan* also established design guidelines and proposed a variety of streetscape improvements. The *Beach Street Promenade Design Plan* was one of the major accomplishments stemming from the 1980 *Beach Area Plan*. New improvements to the Wharf intersection and streetscape improvements on Beach Street including trees, sidewalks, lighting, street furniture and new decking connecting the wharf with Beach Street were installed from the Wharf intersection to Riverside Avenue in 1993. Attempts to provide landscaping improvements identified in the *Plan* for the Beach Flats were not successful.

In 1991, a new Council initiative focused City efforts in the Beach Flats area. This renewed focus on the Beach Flats resulted in the following initiatives: the establishment of the Community Center and Community Garden; improvements to Beach Flats Park; circulation improvements that closed Leibrandt Avenue to through traffic; and location of a permanent site for the La Familia Center. Other programs established during this time included a Code Enforcement Program and a new emphasis on community policing in the area resulting in the establishment of a new Beach Area police beat. Other improvements identified in the Beach Plan that were implemented include the development of significant new street lighting in the area, and the replacement of a number of water and sewer lines in the area. These efforts have helped make moderate improvements in the neighborhood, but additional efforts are clearly needed.

Thus, the goal of this current planning process has been to develop sensitive and practical recommendations which create a viable and healthy residential neighborhood in the Beach Flats as well as strengthen the residential and economic communities in the Beach and South of Laurel.

The analysis and recommendations which follow strive to balance specific individual basic needs for housing and community with the broader civic requirements for safe and secure streets, well-maintained neighborhoods, and a sound economic base. Rebuilding livable neighborhoods requires cooperative action involving public and private resources and community participation. It is the role of government to put in place those programs which encourage citizens to feel confident of their ability to create safe and livable neighborhoods.

In addition to the genuinely difficult civic and planning questions posed by these issues of neighborhood stability, this Plan also addresses the essential question of what steps must the City take to ensure the economic viability of the Beach area as Santa Cruz moves into the 21st Century. For this reason, it examines the need for economic stimulus through the conversion of the La Bahia into a quality conference hotel; the benefit of transforming Beach Street into a signature street linking the Beach with the Downtown; the requirements of a transportation infrastructure to encourage visitors to stay longer and lessen the impact of the automobile; and recommends repositioning Santa Cruz as an ocean resort destination, creating an environment which reduces reliance upon the automobile and encourages extended stay.

The South of Laurel area offers great promise to the City of Santa Cruz. Located strategically between the Beach and the Downtown, the South of Laurel area provides an opportunity to physically, aesthetically and economically link the vitality of the restored downtown Pacific Avenue shopping area with the Beach. This area's function is both as a gateway to the Beach and a transition to Downtown. In addition, the Depot Site, bounded by railroad tracks which border the western boundary of the Study Area, is considered in this report for a variety of public uses, ranging from parking and recreational open space to transit connections and a rail stop.

The Plan envisions the South of Laurel as a vibrant urban community composed of new medium density residential, mixed-use developments and rehabilitated neighborhoods. As such, it will play an important role in providing additional housing in a time of increasing residential demand. Vacant land along the San Lorenzo River and the railroad tracks at Laurel have been identified as providing an exciting opportunity to design attractive and distinctive entryways to this community.

PURPOSE

The purpose of this comprehensive *Beach and South of Laurel Area Plan* is therefore threefold:

1. to propose a sensitive and realistic program for neighborhood preservation and revitalization targeted to the Beach Flats, Beach Hill and South of Laurel areas,
2. to establish a comprehensive program for managing:
 - traffic and transportation,
 - tourism and maritime assets,
 - expansion of the season and linkage with the Downtown, and
3. to enhance the historic resort attributes of the Beach area for residents and visitors alike.

The relationship between existing neighborhoods and the proposed new residential and commercial development is a major component of this study. Thus, the following recommendations include not only general guidance for dealing with tourism and its impacts, but specifically incorporate:

- protections for "Neighborhood Conservation Areas",

- recommendations to mitigate the impact of traffic, transportation and parking,
- urban design recommendations and design guidelines, and
- a proposed partnership between government, business and the residential community in working to create and manage the future.

This Plan identifies the Beach and South of Laurel area as a magnificent and irreplaceable resource which needs clear and sensitive management. Central to this strategy are the comprehensive protection of its residential neighborhoods and commercial areas; the appearance and functioning of its tourism assets and lodging facilities; the careful conservation of its major maritime assets such as the beach and the Wharf; and aggressive implementation of transportation policies designed to reduce reliance upon the automobile and create jobs.

A FRAMEWORK FOR THE FUTURE

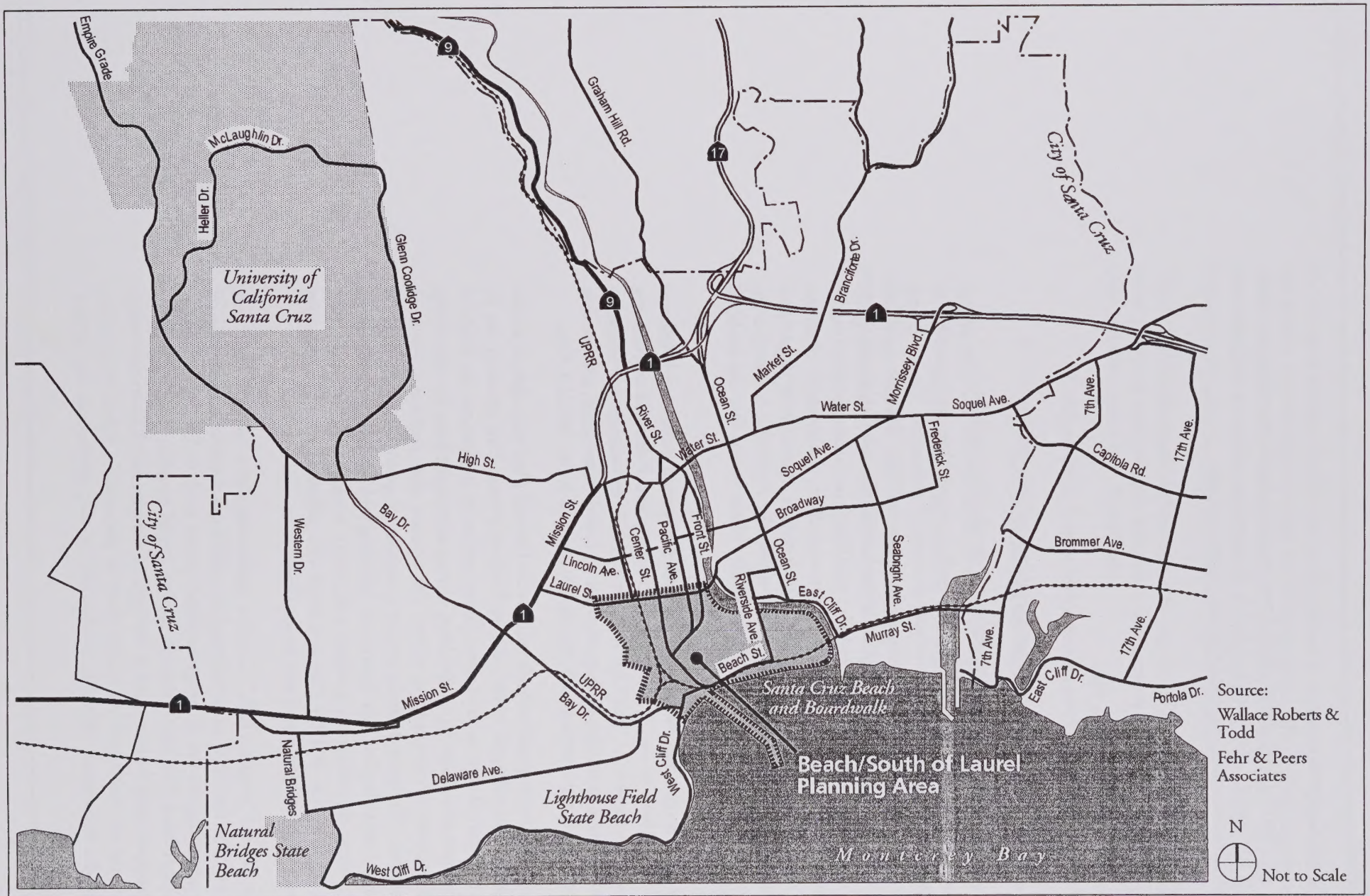
The solutions to the issues which this Plan analyzes have emerged as the result of a continuing dialogue by a wide range of participants which began many years ago. The recommendations represent the creativity of residents and merchants, homeowners and landlords, policy makers and community-based organizations, architects and developers. For that reason, this Plan does not represent a static or inflexible document, but rather one which establishes a broad policy framework to guide the development of programs over an extended period of time.

Public participation during the Beach Area Outlook Conference, Public hearings on the Beach and South of Laurel Plan Strategies, Council Beach Area subcommittee meetings, Redevelopment Subcommittee meetings, and various community public participation efforts conducted during the preparation of the draft Beach Flats Specific Plan also established broad agreement on the objectives for the Planning area.

Specific recommendations are provided where specific approaches are necessary to achieve public objectives, and more general recommendations where multiple approaches should be considered. Each recommendation within the Plan should be weighed for its ability to accomplish the overall goals and whether it strengthens and reinforces the other recommendations.

The Beach and South of Laurel area presents a very complex set of issues. This document outlines public policy and improvements recommended for implementation. The study outlines a series of development scenarios for various areas of the Beach and South of Laurel that have been developed as a result of extensive public processes including the development of the *Beach Area Plan Strategy*, *South of Laurel Area Plan Strategy*, *General Plan*, the *Beach Area Outlook Conference* and the draft *Beach Flats Specific Plan*.

The Plan has four distinct planning areas including the Beach Flats, Beach Commercial, Beach Hill, and the South of Laurel. An “existing condition” analysis for each area is provided, followed by recommendations in the areas of Land Use, Circulation, Parking, Alternative Transportation, Economic Development, Parks & Open Space, and Public Services.



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 1

Area Location Map

PLANNING & POLICY CONTEXT

In addition to the studies listed above which have established policies, standards, and guidelines for the study area – the Beach and South of Laurel lies within, or is adjacent to several previously adopted public plans and policies. These include:

Downtown Recovery Plan
Local Coastal Program
Beach Management Plan
Beach Street Promenade Design Plan
Neary Lagoon Management Plan
Redevelopment Plan
San Lorenzo River Design Concept Plan and Enhancement Plan

Under the authority of the existing Redevelopment Plan, the proposed *B/SOLA Plan* project is expected to use various redevelopment powers, such as acquisition and assembly of property, demolitions, relocations, and sale or lease of acquired properties. Tax increment financing is also authorized under the existing Redevelopment Plan. Specific approvals required for the implementation of the *B/SOLA Plan* include General Plan and zoning text amendments, Local Coastal Program and Land Use modifications, construction of public improvements and public facilities, vacation of streets and alleys, realignment of streets, development of new housing and new commercial development, execution of disposition and development agreements, use permits, and other approvals. Appendix A describes the overall development anticipated for the Beach and South of Laurel areas that was analyzed in the project EIR.

The EIR will be used to provide decision-makers and the general public with relevant environmental information to use in considering the proposed Plan and considering subsequent site-specific projects. The City will use the EIR to consider all necessary General Plan amendments, rezonings, vesting, tentative and subdivision maps, and possible future development agreements required for the implementation of the *B/SOLA Plan*.

It should be noted that any proposed amendments to the General Plan amendment would result in simultaneous amendments of the existing Redevelopment Plan covering the B/SOL Area. The EIR may also be used to cover future actions to implement the *B/SOLA Plan*, including infrastructure funding mechanisms, or may serve as the basis for identifying the scope of subsequent environmental review for actions that require additional environmental analysis. The project would require a number of approvals and ministerial actions and permits, including but not limited to, building and grading permits, street abandonment(s), street encroachment permits, and utility hookups. In the event that amendments are made to the *B/SOLA Plan* as a result of a subsequent public planning process, additional environmental review will be required.

The *B/SOLA Plan* EIR is a “program EIR.” Case law makes clear that a “program EIR” can often function as a “first tier EIR” to be followed by additional negative declarations or EIRs. The rules governing the use of “program EIRs” are set forth in CEQA Guidelines section 15168. Subdivision © of that provision, section 15168 provides that “subsequent activities in the program must be examined in the light of the program EIR to determine whether an additional environmental document must be prepared.” Subdivision (c)(4) states that “where the subsequent activities involve site-specific operations, the agency

should use a written checklist or similar device to document the evaluation of the site and the activity to determine whether the environmental effects of the operation were covered in the program EIR.” Subdivision (c)(1) further provides that “if a later activity would have effects that were not examined in the program EIR, a new Initial Study would need to be prepared leading to either an EIR or a Negative Declaration.”

The overall development recommended by the *B/SOLA Plan* reduces the amount of growth in the planning area currently allowed by the General Plan and by current zoning by more than 184,000 square feet. Specifically:

- it reduces high density designations by 4.19 acres,
- it increases medium density designations by 1.89 acres,
- it reduces visitor serving commercial by 5.23 acres, and
- it increases public facilities and parks by 7.55 acres.

In addition, the *B/SOLA Plan* recommends stringent controls mechanisms for growth and provides detailed Design Guidelines and Landscaping Standards.



SECTION I

BEACH AREA

I. BEACH AREA: OVERVIEW



I. OVERVIEW: BEACH AREA

A. SUMMARY

The Beach Area is the jewel in the crown of the City of Santa Cruz. It is the center of the City's most spectacular physical assets: a stunning white sand beach on the shores of the Monterey Bay; a half-mile long historic Wharf; the historic promontories of Beach Hill and West Cliff; the mouth of the San Lorenzo River; and the location of one of the last remaining Pacific Coast Amusement Parks in America.¹ It is home to 2700 permanent residents.

The physical and historical assets are of enormous importance in planning for this area. In order to protect the quality of its neighborhoods, preserve the 19th Century origins of the area, and to enhance the vigor of its 21st Century economy, this Plan identifies a series of growing pressures on the Beach area which need to be addressed.

1. Background

The original Nineteenth Century investors and home owners in the Beach area made no small plans. From the beginning, they were captivated by the magnificence of the location and responded with buildings of grandeur and scale. They recognized the opportunity provided by the crests of Beach Hill and the sweep of West Cliff to construct a processional of grand mansions which gradually stepped down toward the Bay.

They made it their business to invite families and vacationers to share the natural wonders of the Beach, the Bay and the San Lorenzo River. To make visits affordable, they constructed "tent cities" and "cottage cities" at the same time they were building grand hotels.

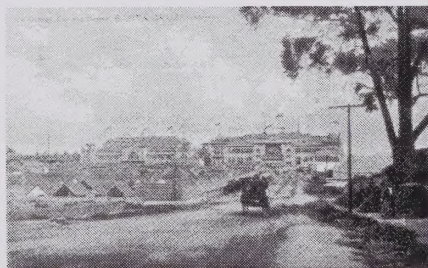
Recreation at the Beach has always been marked by both a sense of panache and playfulness. The tent city was composed of "200 brightly colored, canvas-striped tents," and the later cottages which replaced them were supposedly painted in such a way that they produced a "rainbow effect when viewed from the hills."²

The grand hotels, on the other hand, incorporated large porches, discrete balconies, scented gardens and pedestrian walkways to the Beach.

There is no doubting the good business sense of these early Beach investors who seemed to combine a spirit of daring with an instinctive sense of promotionalism. Yet, perhaps the most distinctive quality of this California ocean resort was the open delight of visitor and resident alike in its rich and colorful natural assets. Early histories speak of camping by the River, swimming in the indoor seawater pool at the Dolphin Bathhouse, taking "the Plunge" in the chilling waters of the Bay, and boating on the San Lorenzo.³

¹ The Santa Cruz Boardwalk was designated a California State Historic landmark in 1989. Two of the Boardwalk's attractions - the 1924 Giant Dipper roller coaster, and the 1911 Looff Carousel are National Historic Landmarks.

² City of Santa Cruz, *Beach Area Plan*, (1980), p.6.



Tent City located on current Main Beach Lot



Perhaps the best example of this was illustrated by the famous “Venetian Water Carnivals” which began attracting thousands from San Francisco to the banks of the San Lorenzo around the turn of the century. Fred Swanton, Santa Cruz’s greatest early entrepreneur, builder of the Boardwalk and Casino, developer of the tent city, cottage city and the Casa del Rey, damned the mouth of the San Lorenzo River and staged four days of decorated boat parades, water sports and an early version of water olympics. The night was filled with lights, ballroom dancing and fireworks.

2. Looking Toward the Future

It is important to understand the Beach area’s history in planning for the future. For strong residential neighborhoods were the basis and beginning for early visitor attractions. The conservation and enhancement of these neighborhoods is central to this planning study and to the future of the Beach area.

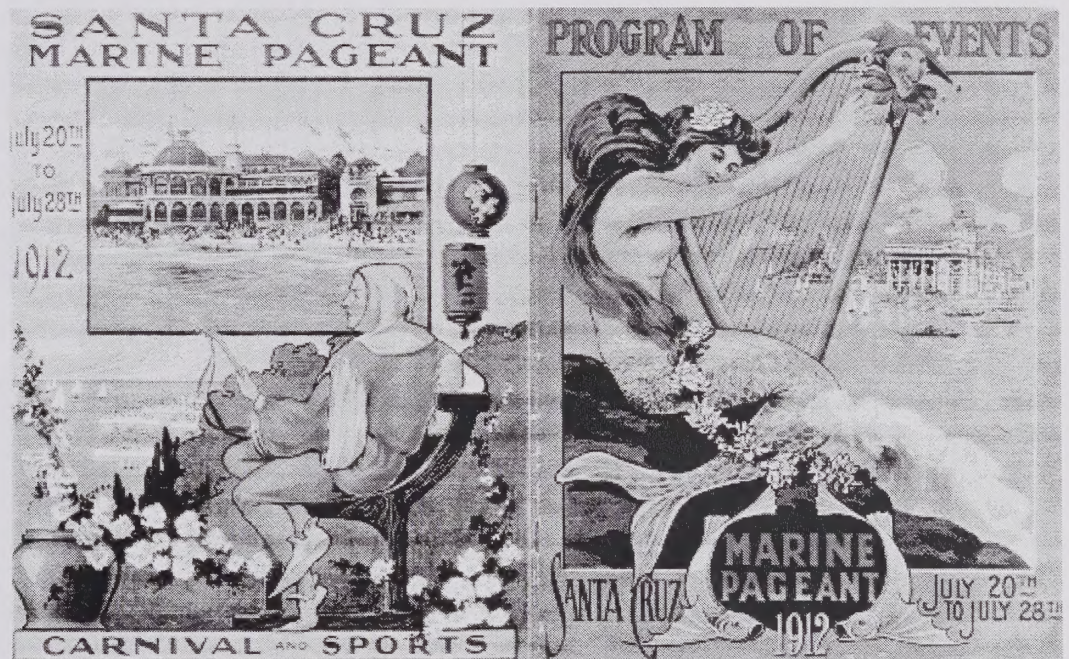
The foundation of the Beach’s economy has always been the successful mixing of business with pleasure, and the creative linking of splendid natural resources with structures and events.

Over the years, the exuberance and larger vision of the past has been somewhat muted. Cottage City has become Beach Flats, a neighborhood tucked between the Boardwalk and the River with major opportunities and constraints. And many of the elegant, large scale resort hotels such as the Sea Beach and the Casa del Rey no longer exist. In their place are smaller motels, many dating from the 1940s and 50s, which give no indication of the area’s earlier attractiveness. Reminders of this past are still present however in the grand Victorians which characterize much of Beach Hill.

³ Ross E. Gibson, a member of the Santa Cruz Historic Preservation Commission has produced two marvelously illustrated histories of this period. *History & Future of the Santa Cruz Waterfront*, 1997; and *Empire of the Casa del Rey*, 1997.

Having weathered many years of uncertainty about its future, the Beach area is now poised for a physical renaissance. Timing is excellent. The City has emerged successfully from the major challenge of rebuilding its downtown after the devastating effects of the Loma Prieta earthquake and has focused its attention on the Beach and South of Laurel areas through a series of intensive planning efforts. The results of these efforts are incorporated in the recommendations which follow and have already stimulated significant private development interest.

This planning process provides the City and the citizens of Santa Cruz the timely opportunity to recapture the best of the past as they put in place policies designed to change the investment climate in the Beach area. This *Comprehensive Area Plan for the Beach & South of Laurel* responds to this need and develops a series of implementable strategies to preserve and protect the residential quality of life in the Beach area while encouraging a vital and vigorous economy.



B. THREE PLANNING AREAS

The Beach Area is a remarkable physical and social microcosm that is approximately 125 acres in size and is home to nearly 2700 permanent residents. Within the boundaries of this area are three distinct planning subareas totaling approximately 125 acres [See following map]. They are (1) the Beach Flats, (2) Beach Hill, and (3) Beach Commercial area which for the purpose of this study includes the 10 acre Municipal Wharf.⁴ The boundaries of the Beach Area are defined by the Monterey Bay to the south; Bay Street and West Cliff to the west; the San Lorenzo River to the east and north; and the bluff of Beach Hill to the north.

Each of these three planning areas is distinguished by physical characteristics and topography, their social and economic conditions, and their distinctive history and land use. Although they developed essentially concurrently, they each evolved in different ways. While each is

⁴ The 1980 *Beach Area Plan* carried out a specific design study of the Wharf at the direction of the Council and therefore treated it as a separate planning area. The 1996 *Beach Area Plan Strategy* did not specifically address issues related to the Wharf.

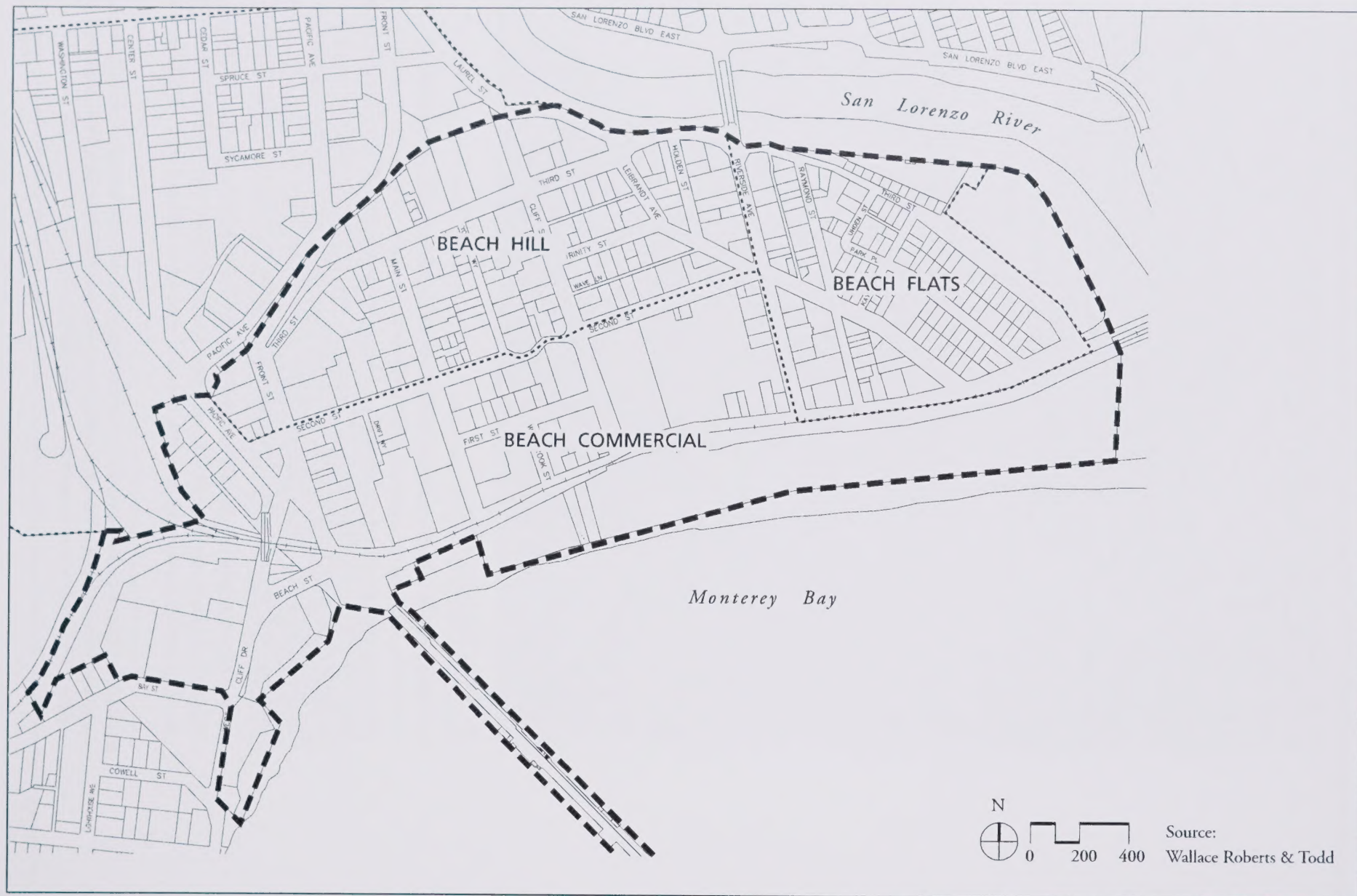
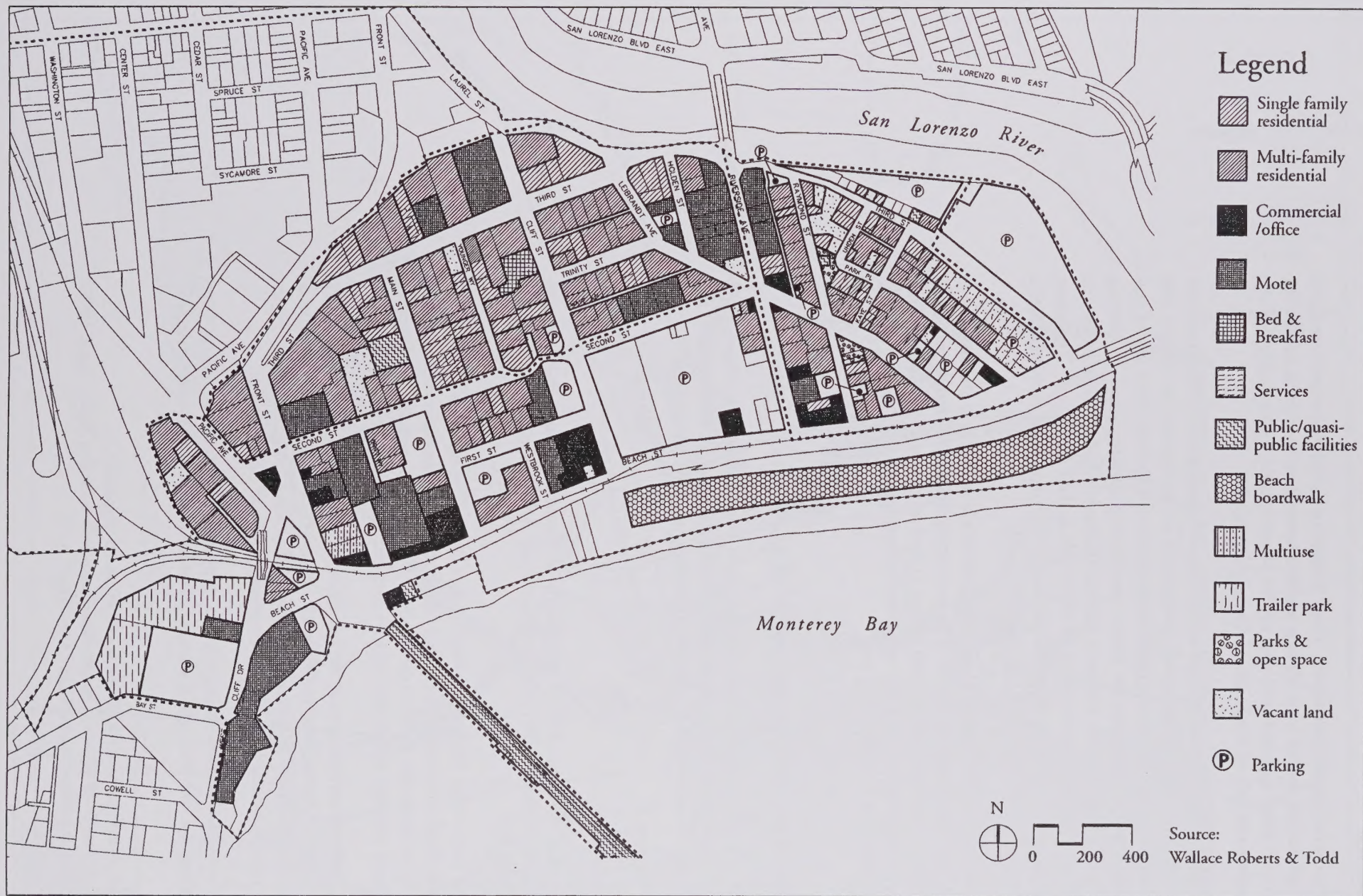


Figure 2

Beach Area Base Map



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 3

Beach Area Land Use

unique, they are also intimately connected. Their futures are as tightly interwoven as are their pasts. To ignore this reality is to fail in a realistic assessment of what is needed for success. For it is the basic approach and goal of this planning effort to explicitly link the health of the commercial area to the health of the neighborhood.

Each planning area will be addressed in detail in the following sections. It is only important to note here a minor boundary change which incorporates the promontory on the east side of Pacific Avenue adjacent to the historic trestle bridge where the Ramada Inn Limited and several small homes are located within the Beach Commercial planning area.⁵ In carrying out the economic and design analysis, it became clear that this site could provide an important component in the commercial revitalization of the Beach as does the Wharf. The other minor boundary adjustment was to adopt the previously orphaned block between Pacific Avenue and Front Street into the Beach Hill neighborhood.

The whole issue of boundaries, edges and land use transitions is enormously important, not only in planning, but in everyday urban life. The perception of an area belonging within a context has significant implications for land values as well as quality of life issues. This study has attempted throughout to clarify edges and to strengthen them so they actively contribute to the health and vitality of an area.

C. MAJOR FACTORS INFLUENCING LAND USE IN THE BEACH AREA

There are a series of major influences which have helped determine how the Beach looks and functions. They have played an important role in the evolution of land uses over the years and will need to be considered in any recommendations which are developed.

1. Physical Influences

The Impact of Topography

The Beach Area is defined by its physical topography as an oceanside basin shaped by the heights of West Cliff and Beach Hill to the north and west and the watercourse of the San Lorenzo River to the east.

The result of this fact is that the major visitor draws to the City of Santa Cruz — the Beach and the Boardwalk — are located in what is essentially a *cul-de-sac* at the end of the roadway system. This means that access to the beach area is limited to a tightly circumscribed number of entryways through which the majority of traffic must flow.

As the following Figure illustrates, almost 60% of the visitors to the Beach area arrive from Highway 17 and follow Ocean Street to the beach. Another 20% arrive from the South and exit Highway 1 at Morrissey Boulevard and funnel into Ocean Street at Soquel.⁶ Thus, Ocean Street provides vehicular access for approximately 80% of visitor traffic.

These physical facts are of enormous importance in planning for this area. As the later transportation discussion will discuss, the number of possible vehicular approaches to this

⁵ Earlier studies had placed this area within the South of Laurel plan area.

⁶ Fehr & Peers, *Beach Area/South of Laurel Master Plan: Transportation Analysis Report*, April, 1997, Figure 18, "Regional Trip Distributions: Beach Area Trips," p. 71.

Regional Trip Distribution

area are extremely limited and provide a constant challenge in terms of transportation management.

The Role of the San Lorenzo River

The San Lorenzo River has played, and continues to play, a major role in the Beach area. It defines its eastern boundaries, and the seasonality of its flow levels and the potential for flooding directly affects drainage throughout the study area, but most particularly in the Beach Flats.⁷

In the mid-19th Century, the San Lorenzo River followed a wandering course and spread freely out into the floodplain at its downstream end. Because of this shallowness and the formation of sandbars at its mouth, the River never played a major commercial role in the economy of Santa Cruz.⁸ However, it has always played an important recreational and environmental role in the history of the area.



While a few property owners located their homes directly along the riverbanks near its mouth in the 1860's and 70's, the most popular use of the River was boating and bathing. Its waters were found to be warmer than the Ocean, and Leibrandt's River Bathhouse was a popular destination.⁹ It was also the location of the Venetian Water Carnivals.

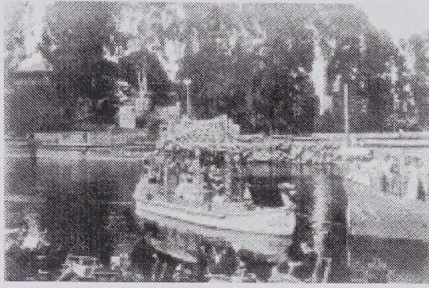
However, even from its earliest days the San Lorenzo River has been neither predictable nor benign. Flooding of this River is a major influence in the area. As early as 1862, records indicate that flood waters washed away a paper mill built on its banks. Since that time, floods have occurred in 1869, 1890, 1895, 1909, 1911, 1931, 1940, 1941, 1945, and most severely in 1955. In order to prevent a recurrence of this disaster, the U.S. Army Corps of Engineers began a flood control project which channeled the river between levees.¹⁰

⁷ Philip Williams & Associates, *The San Lorenzo River Enhancement Plan*, 1988, p.8-9.

⁸ ROMA Design Group, *San Lorenzo River Design Concept Plan*, 1987, p.2.

⁹ Gibson, *Waterfront*, p.27.

¹⁰ ROMA, *Concept Plan*, p.3.

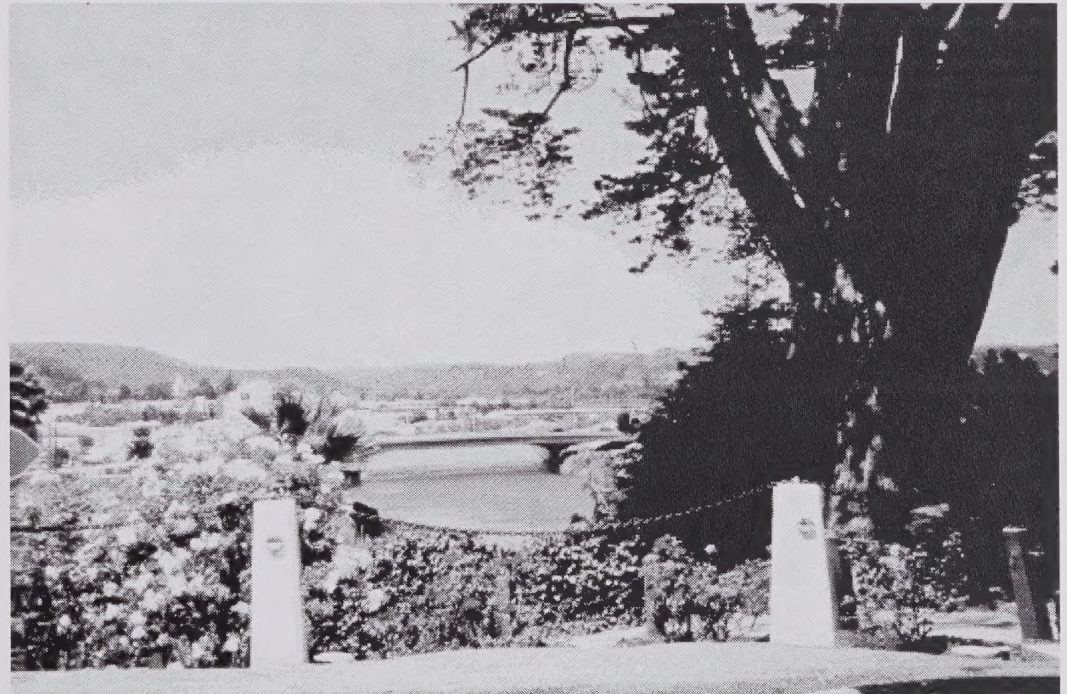


As the following Figure illustrates, almost the entire study area, with the exception of the heights of Beach Hill falls within the 100 year floodplain. This fact has particular implication for the Beach Flats area where storm drainage during heavy rains frequently backs up flooding streets and cottages. As the discussion in Chapter on Community facilities indicates, improved storm drainage in this area will be crucial to successful revitalization.

2. Impact of Recreational Uses

For over a century, recreational uses have defined how the Beach Commercial District looks and functions. The role of the Beach, the Boardwalk and the Wharf is paramount in defining the activities, the circulation and parking patterns, and the entire tempo of life for the beach area. They form the basis of its economy, and the health and function of this sector is crucial not only to the citywide health of all the visitor serving industry, but also directly affects the health of the surrounding neighborhoods, as over 2 million visitors arrive annually.

The settings of these recreational uses, that is the Beach, the Boardwalk, the Wharf, and the Levee can play an important role in enhancing the residential quality of life in the Beach Flats and on Beach Hill. For they provide visual and spatial relief at the ends of densely developed residential streets. More-over, they act as an open space alternative in an urban environment, and can - with proper landscaping and design - contribute to stabilizing and enhancing land values and adding to the attractiveness of these neighborhoods. These factors will be discussed in detail in the following chapters.





The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 5

100 Year Flood Map



II. BEACH FLATS: EXISTING CONDITIONS

II. EXISTING CONDITIONS: LAND USE & ZONING BEACH FLATS

A. OVERVIEW & PURPOSE

The Beach Flats is a unique neighborhood in Santa Cruz. **It is the central premise of this planning effort that the Beach Flats must become a more livable neighborhood where local residents eagerly choose to reside, with safe and secure streets and vested resident inhabitants.** In 1994, sixty-nine percent of Beach Flats residents interviewed said if affordable housing elsewhere in the City were available, they would move from Beach Flats.¹

The future of the Beach area is linked to the future of the Beach Flats. A basic assumption of this planning effort is that revitalization of the Beach area cannot be achieved **unless and until there is a significant catalyst for positive change in the Beach Flats neighborhood.** It is the purpose of this Plan to provide a series of interrelated recommendations designed to restore the quality of life in this neighborhood.

This neighborhood possesses physical, demographic and locational characteristics which provide both opportunities and constraints. Because of its pivotal importance to the future of the Beach area, a detailed analysis of existing conditions is presented below.

B. NEIGHBORHOOD CHARACTERISTICS

1. Overview & History

The flat, low-lying area known as Beach Flats was originally farm land adjacent to the marshy mouth of the San Lorenzo River. Purchased by the Leibrandt family in 1866, it served as pasture and wheat fields, and as the City began to attract summer visitors a camp ground for vacationers who provided their own tents. In fact, the orderly small lot layout of this early "tent city" is reflected in the later subdivision parcels of the Kaye-Uhden and Leibrandt tracts which form the basis of the current neighborhood. Unlike the current residential uses of today, the Beach Flats area was initially developed to provide recreational uses.

The ultimate configuration and streetscape of the Flats was determined in the year 1910, when with the construction of the Casa del Rey, Swanton relocated many of the summer cottages which had been on that site eastward to the Leibrandt and the Kaye-Uhden tracts which form the basis of the Beach Flats neighborhood. These cottages were initially used by summer visitors who left the area long before the high water inundations of winter. With the addition of a few small scale motels in the 1930's and 1940's, the basic structure of today's neighborhood was complete.

Following the great flood of 1955, the Army Corps of Engineers narrowed the mouth of the San Lorenzo River, channeling it to the east of the island and containing it within levees

¹ "Beach Flats Residents Survey," 1994, as cited in *Beach Area Outlook Conference*.

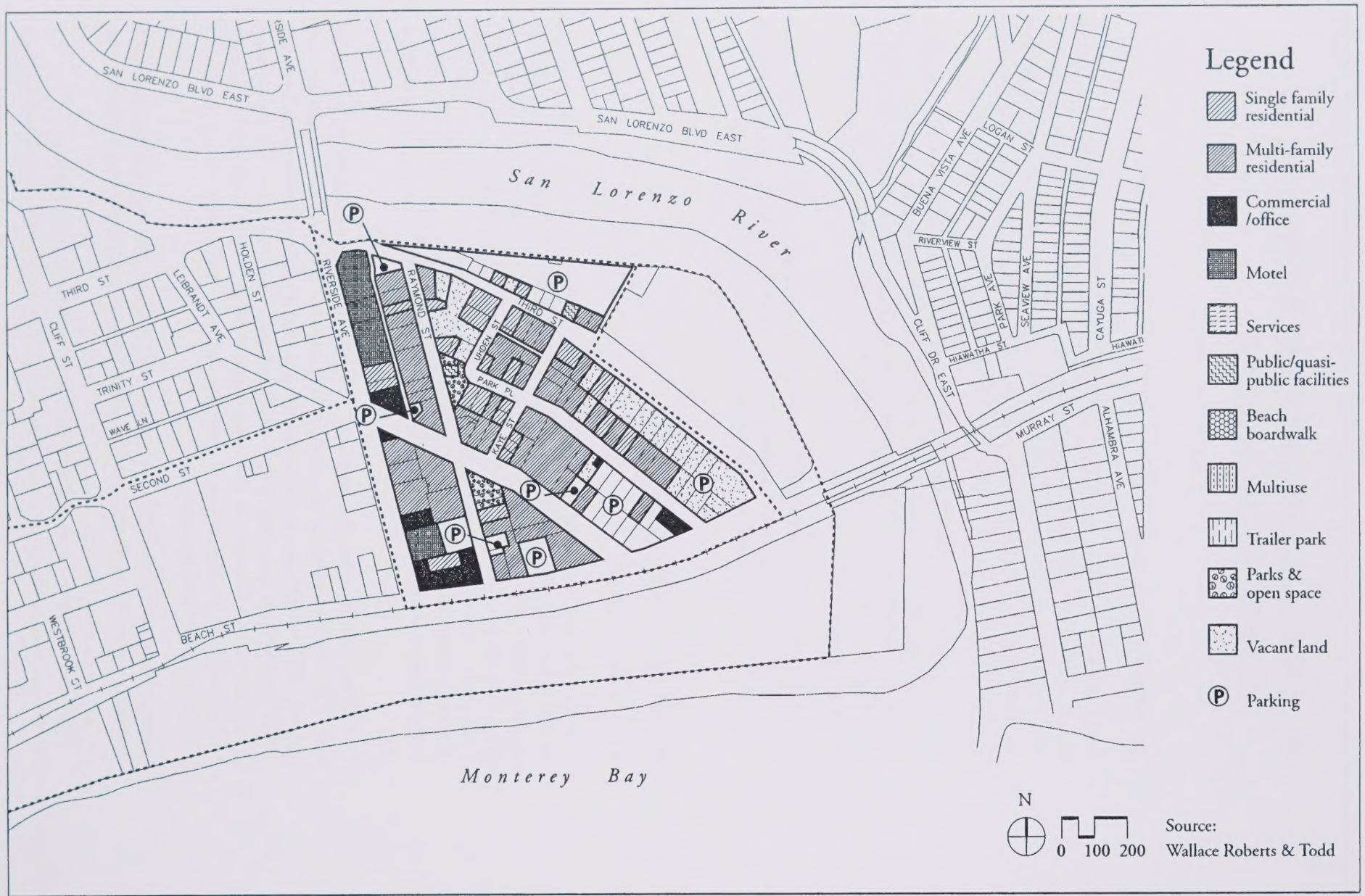


Figure 6

Beach Flats Land Use

which are acknowledged to be inadequate as well as ugly. The reclaimed land extended the boundaries of the Beach Flats to the east.

Over the years, however, there has been substantial deterioration of the housing stock and the residential quality of life in this area. **Twenty-seven years ago, home ownership was more than 70% in this neighborhood.** Today, Beach Flats is the most densely populated, poorest neighborhood in the City of Santa Cruz. It is one of the major goals of this planning effort to provide recommendations which form the basis for a sensitive, practical and comprehensive neighborhood revitalization program for the Beach Flats.



2. Demographics

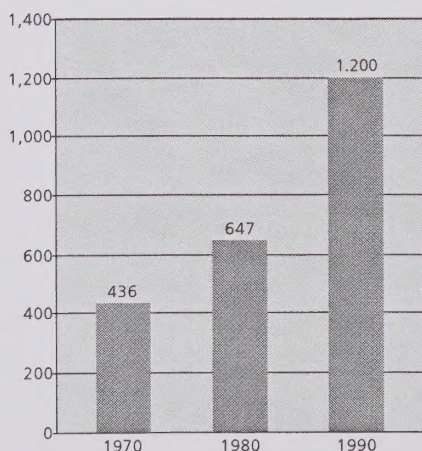
Today, the Beach Flats area is characterized by a mix of transitory and permanent residential uses.²

Density

The neighborhood covers almost 28 acres of which only nine (9) acres are developed. The remainder is in either vacant lots, paved streets or parking lots along the River.

It is the most densely populated neighborhood in Santa Cruz, with 1200 residents within that 9 acres. This corresponds to a population density of over 130 persons per acre. **“Since 1980, the population in Beach Flats has doubled without significant improvement of housing conditions.”**³ In fact, as the chart to the right illustrates, while the number of dwelling units has declined from 382 in 1980⁴ to 345 in 1990,⁵ the number of people living in these units has soared.

Beach Flats Population Growth



² There are also commercial uses along Riverside Avenue and Beach Street which will be discussed in the context of Beach Commercial.

³ “Beach Area/South of Laurel Process and Opportunities”, 1995, p.22.

⁴ *Beach Area Plan*, 1980, p.25.

⁵ City of Santa Cruz, *General Plan*, I., p.210.

Average Household Size

The average household size in Beach Flats is 3.82 persons per unit, which is the highest per unit count in the City.⁶ The area consists of 345 occupied residential units that are developed in a small lot pattern, resulting in housing densities approaching 35 units per acre.

Many of the residences in Beach Flats are converted motels or one bedroom summer cottages that are now dilapidated. Approximately 34% of the housing stock is considered in substandard condition.⁷ Seventy-five (75%) percent of the units are studio or one bedroom units, and 97% of all units are rentals. Overcrowding is a significant problem with 60% of the 305 households in the Beach Flats having 3 to 8 people living in them.

Ownership Patterns

Owner occupancy has declined dramatically during the past three decades. As the following graph illustrates, owner occupancy in the Beach Flats was more than 70% in 1960. By 1980, this had declined to 5%, with only 5 resident homeowners in the Beach Flats in 1997, a number which represents less than 1% homeownership in the area.⁸

On the other hand, while owner occupancy has almost disappeared in the Beach Flats, there has been a growing concentration of properties owned by a select number of absentee landlords. In fact, fourteen (14) landlords own 56% of all units in the neighborhood. And of that number, five (5) own 125 units or 36% of all units. [1997, Tax Records].

Population

The Beach Flats population is predominantly Hispanic, comprising 78% of the population. This is a substantial increase from the 35% of the population which was represented in 1980.⁹ Additionally, a higher percentage of males are present in this subarea consisting roughly of 60% of the population versus 40% for females. The median age of 22 in the Beach Flats represents a very young population.

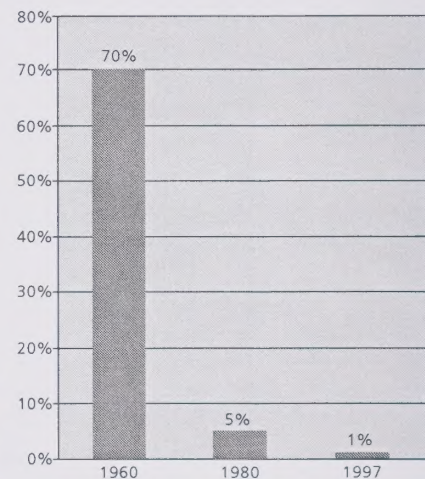
The population is also very transient in nature with average length of stay lasting only 3 years.¹⁰ When asked in 1994, 69% of Beach Flats respondents said if affordable housing elsewhere in the City were available at similar rents they would move from the Beach Flats.

3. Public Safety

The population of the Beach Flats represents less than 2% of the total population in the City of Santa Cruz. In 1996, 38% of all felony arrests in the City occurred in the Beach Flats area. While serious crime, as represented by felony arrests, is declining throughout the City, felony arrest in the Beach Flats had risen by 14% since 1994.¹¹



Beach Flats Percentage of Home Ownership



⁶ The Beach Outlook Conference survey of 61 households in the Beach Flats documented an average of 5.25 persons per household.

⁷ City of Santa Cruz Code Compliance Specialist for the Beach Flats, (December, 1998).

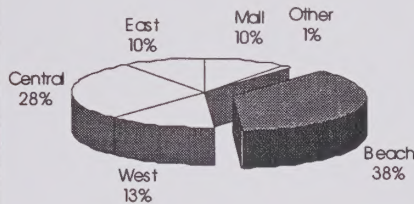
⁸ Tax Records, City of Santa Cruz, January, 1997. Average national homeownership nationwide is 65%. The average in Santa Cruz is approximately 50%.

⁹ "Beach Area/South of Laurel Process and Opportunities," p. 22.

¹⁰ The 1980 *Plan* found that "only 2 out of 10 people lived in the area in both 1970 and 1976." (p.24)

¹¹ *Santa Cruz Police Department: Beat Report: 1994:1995:1996 (partial yr.)*.

Percent Felony Arrests by Area 1996

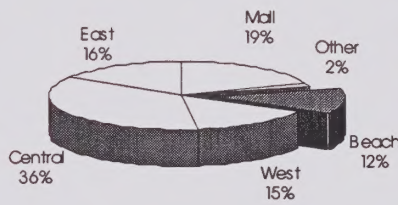


In response to this, in 1995 the City of Santa Cruz established its first new police beat in 13 years – the Beach Beat – to patrol the area. Six officers are designated for this beat and assist in safety as well as code enforcement. Changes in traffic patterns, the installation of wrought-iron fencing at the Dolphin, street lighting and community programs, and a concentration on drug enforcement has laid a sound foundation for continued and enhanced crime prevention measures. Due to these implementing actions and the effective work of the community policing activities in concert with residents, in 1998, the percent of city-wide felony arrests has fallen in the Beach Flats to 12% of the total.¹²

4. Summary

Beach Flats is the most densely populated neighborhood in the City of Santa Cruz. It is isolated and contained within a nine (9) developed acre section of the City, bordered by the San Lorenzo River, the Boardwalk and the tourist/motel uses which line Riverside Avenue, effectively separating this neighborhood from the other residential neighborhood of Beach Hill.

Percent Felony Arrests by Area 1998



The housing stock is primarily converted small summer cottages and motels - with approximately 40% in substandard condition in 1996. By 1998, continuing code enforcement had reduced the number of substandard units to approximately 34% of the total. Ninety-seven percent of the housing is rental, and seventy-five percent of the units are small – either studio or one-bedroom units, with an average density ranging from 3.82 to 5.25 persons per household. The Santa Cruz average household density is 2.5.

Almost 60% of all the property in Beach Flats is owned by 14 individuals – twelve of whom live outside of Santa Cruz. There is only one landlord who actually resides in the neighborhood.

There are only five homeowners in Beach Flats. This represents less than 1% homeownership. The national average for homeownership is 65%. Throughout the entire City of Santa Cruz, it is closer to 50%.

Except for rents at the lowest end of the scale, that is for studio units available in the Dolphin for \$375, rents in the Beach Flats area approach market rate – with one bedroom units leasing for \$585 to \$650 and two-bedroom units at \$725 to \$800. These rates were current in January, 1997 and have risen significantly.

The population in Beach Flats is primarily Hispanic, with a predominance of males, and a median age of 22 years. The percentage of Hispanic population in the Flats doubled in the ten years between 1980 and 1990, from 35% to 79%.

Incomes are low, approximately \$20,000 per household. According to a survey taken of residents in the Beach Flats in 1994, this population is extremely mobile, as the median length of residence was only three years. In a survey of Beach Flats residents, of the six affordable areas located in the City, respondents ranked the Beach Flats as the least desirable.

While serious crime, as represented by felony arrests, has been relatively stable in the rest of Santa Cruz for the past three years, it had been rising in the Beach Flats. For the first six months of 1996, almost 38% of all felony arrests were made in the Beach area. However, due to increased community based policing enforcement, this rate has dropped to 12%.

¹² Santa Cruz Police Department: Beat Report: 1998.

C. ZONING IN THE BEACH FLATS

There are three zoning categories applied within the boundaries of the Beach Flats Area. They are: RTD-Beach Residential; CB-Beach Commercial; and RTC-Beach Commercial.

1. RTD Zone

Zoning in the heart of Beach Flats is RTD – Beach Residential. [24.10.626]. The primary purpose of this zone is “to establish standards for beach residential uses which promote and protect the residential characteristics of the subdistrict and provide a suitable environment for residents.” Additional purposes are “to preserve the scale and enhance the historic beach cottage character of this subdistrict, and to ensure that new residential land uses are both permanent and of a high quality, all new development will be reviewed.”

In general, all types of residential uses – from single family to multiple dwellings of 9 units or fewer –are allowed subject to approval of an administrative use permit and a design permit. Larger residential uses and bed and breakfast inns are subject to a special use permit. Maximum allowable height is 30 feet.

Zoning Issue

Over the years, there has been some uncertainty about the future development direction for the Beach Flats area. The recommendations concerning future land use and zoning in the Beach Flats are designed to **clarify the City’s long term goals for this area, and to strongly reaffirm the City’s commitment to residential** – not commercial – treatment of this area and provide the basis for appropriate investment responses.

2. CB Zone

The purpose of the CB zone is to provide for “commercial uses which are primarily coastal-dependent in nature and which serve tourists and visitors to the Santa Cruz coastal recreational areas”. [24.10.1100] There is a wide variety of permitted uses allowed in this zone, such as amusement park uses, museum and galleries, many of which do not support the residential character of the Beach Flats neighborhood.

As illustrated by the “Existing Zoning Map”, this designation is applied in the Beach Flats area along the lower east side of Riverside Avenue, and the northern side of Beach Street between Riverside and Leibrandt.

3. RTB – Motel-Residential

The purpose of the RTB Zone is to “establish and control uses to ensure a compatible mixture of uses addressing the needs of residents and tourists. Dominant uses contemplated are motel and high-density residential uses.” [24.10.610].

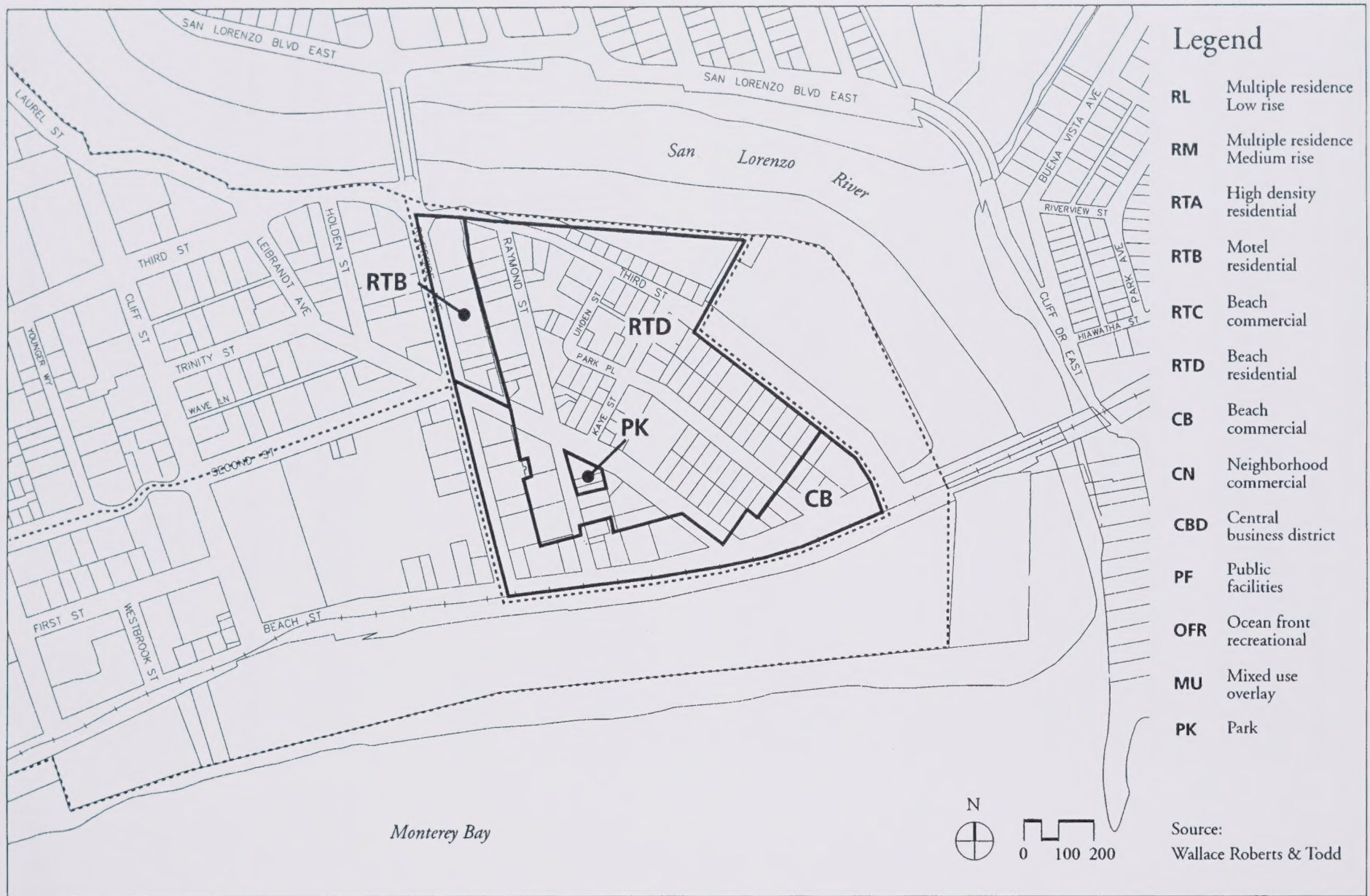
As illustrated by the map, RTB is applied in the Beach Flats area along the upper east side of Riverside Avenue.

ZONING APPROACH IN THIS PLAN

While the *General Plan* has given a high density residential designation to the Beach Flats area, recommendations in the following chapter will make clear density distinctions between the small scale cottage interior and the new development area along the perimeter of Third Street.

The goal of this planning effort is the neighborhood revitalization of Beach Flats by:

1. protecting and enhancing the quality of life of the existing small scale interior neighborhood of the Beach Flats, and
2. encouraging the provision of new multi-family housing along the perimeter of Third Street.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 7

Existing Zoning, Beach Flats

III. BEACH FLATS: RECOMMENDATIONS



III. RECOMMENDATIONS: LAND USE & ZONING BEACH FLATS

A. OVERVIEW & PURPOSE

1. Summary

The Beach Flats must become a *liveable* neighborhood with *safe and secure streets* and *vested resident inhabitants*. A safe environment is the essential foundation of all healthy and stable neighborhoods. The second crucial ingredient is a strong base of residents who share a vested interest in the future of the area — resident homeowners, resident landlords, and resident tenant managers. Today, neighborhood life in the Beach Flats is characterized by the lack of all three — with less than 1% home ownership; 99% absentee landlords, and few resident tenant managers. The following recommendations propose a comprehensive approach to address these central issues.



Leadership of the community in Beach Flats has worked over the years to improve the quality of life in this neighborhood by organizing and participating in the Community Center on Raymond Street, working toward the creation of the park and children's tot lot at the intersection of Raymond and Leibrandt, organizing community clean-ups, planting and harvesting the community garden, and beautifying the area through murals with important symbols of Latino heritage.

Over the years, the City has structured an ongoing outreach program in the community through support and staffing of the Community Center by the Depart-

ment of Parks and Recreation, and has targeted code enforcement and Community Development Block Grant programs to the area. This Plan continues this policy direction.

The following recommendations were designed not only to enhance the area as a whole, but to provide specific opportunities for current residents to become vested members of the community. Because of the important role which the conservation, ownership and construction of housing plays in restoring the community of Beach Flats, detailed housing recommendations are provided in the following chapter.

2. Approach

These recommendations recognize the importance, in a neighborhood in need of revitalization, of creatively balancing incentives with constraints. They attempt to harness the self-interest of current owners to improvement in the community **while creating a new layer of ownership composed of those who are currently renting.**

Specific program elements have also been developed to link the energies and talents of the nonprofit community to the resident community through home-ownership counseling programs, tenant management programs, and the creation of new housing.

There is also a role for the private sector. There are a number of "housing opportunity sites" identified in the New Development Area. While some of these opportunities will be addressed by the nonprofit sector to provide much needed affordable housing, there will

still remain sites where the City's adopted policy of promoting diversity in housing stock is appropriate.

The role of the public sector is key. The principal role is to remove uncertainty about the future of the Beach Flats. It can do this by:

- providing a visible 24 hour police presence,
- enacting zoning which sends a clear signal that commercial and residential speculation must stop,
- by providing incentives and by enforcing constraints, and by
- expanding the number of those who have a stake in the community.

The other recommendations which follow below define the program elements which should be implemented to convey positive change to the heart of the community.

B. PLANNING POLICY FOR THE BEACH FLATS

1. Overview

Extensive policy has been developed over the years to address the issues of neighborhood quality of life in the Beach Flats. The basic policy for this area was defined in the *City of Santa Cruz Beach Area Plan*, adopted in July, 1980 and incorporated by reference into the *City of Santa Cruz General Plan and Local Coastal Program, 1990-2005*, II, "Beach Area Plan Summary" p.3-21.

In addition, the City has continued with extensive analysis of this area contained in the following reports: *Beach Street Promenade Design Plan*; "Beach Area Outlook Conference"; "Beach Area/South of Laurel Process and Opportunities"; "Beach Area Chautauqua Questionnaire"; and the *Beach Area Plan Strategy*, adopted in 1996.

The *San Lorenzo River Design Concept Plan*, 1987 and the *San Lorenzo River Enhancement Plan*, 1988 are the controlling documents for river improvements, and this Plan incorporates their recommendations by reference.

2. Policy Framework

The adopted policy framework, as expressed in the vision statement of the *Beach Area Plan Strategy*, identified the goal of a **"diverse, quality residential neighborhood serving all income groups at urban densities and pedestrian scale..."** for the areas of the Beach and South of Laurel.

Among the primary policies cited in regard to the Beach Flats are:

- a. Maintain the current number of units in the Beach Flats and provide residents opportunities to live in better quality units and better managed living conditions.
- b. Stabilize and strengthen the existing neighborhood at the interior of the Beach Flats by establishing a conservation area with a maximum density of 27 units an acre. Develop

New Development Area with a range of densities from 30 to 36 units an acre to provide better managed multifamily housing opportunities on the perimeter.

- c. Promote more family-oriented development by requiring at least 50% of all new units to be two or more bedrooms.
- d. Promote more affordable residential development by reducing on site parking requirements, where deemed appropriate, to 1 space per unit to help reduce land costs. Revise configuration of Leibrandt Street to provide aggregated residential parking for Beach Flats residents.
- e. Promote a diversity of new housing opportunities by amending the demolition conversion permit requirement from 100% replacement of affordable bedrooms to 50% replacement, in the Beach Area to be consistent with the rest of the City, as long as there is no net loss of affordable units in the greater Beach and SOLA planning areas. Additionally allow dilapidated units to be demolished, so long as replacement units have been identified.
- f. Maintain an aggressive housing code enforcement program to insure that existing units meet health and safety codes.
- g. Accommodate flexibility in design to allow development of small lots that are predominant in the Beach Flats area, which in some instances could include the elimination of the lot size requirement for projects and planned developments and the reduction in setback requirements.
- h. Create a viable, healthy residential neighborhood with appropriate levels of connected amenities and clear boundaries that are separate from intensive commercial activities.
- i. The City will make a good faith effort, to provide affordable housing opportunities for current residents displaced by changes resulting from the Plan and who are eligible for affordable housing in accordance with appropriate relocations laws.
- j. The City of Santa Cruz shall continue to allocate Community Development Block Grant funds to the pro-active Target Area Code Enforcement and Nuisance Abatement Program.
- k. The City of Santa Cruz shall continue to direct in-lieu housing trust fund and fees and HOME fund money to the Target Area Housing and Relocation Assistance Fund, to improve or replace substandard housing in the Target Area and Beach Flats.
- l. When tax increment housing set-aside money become available, consideration should be given to establishing new construction as one of the high priorities of the fund. Additionally rehabilitation of housing within Beach Flats and other portions of the Target Area will be promoted.

3. Summary of Policy Proposals

The adopted policies listed above are designed to provide a healthy, vital community in the Beach Flats. They are structured to improve the quality of life by encouraging the maintenance and restoration of the cottage character of the interior Conservation District while stimulating new construction along the perimeter New Development District through density bonuses, reduction in parking requirements, flexibility in design and the possibility of financing

incentives. They address the issue of dilapidated existing units by encouraging more aggressive code enforcement and providing incentives to property owners to upgrade their properties. The policies also seek to limit any potential adverse impacts of change on the existing population by encouraging the provision of alternative low-income housing opportunities for residents both within the Beach Flats and elsewhere within the Beach and South of Laurel areas.

In terms of addressing neighborhood cohesiveness, these policies recommend strengthening the boundaries of the neighborhood through new high density development along Third Street which will help provide separation between residential and commercial land uses and provide **significant new housing opportunity sites around the perimeter of the Beach Flats**. These housing opportunity sites, when developed, will establish a quality residential development pattern that will convey a clear message to end commercial speculation in the interior of Beach Flats. This policy intends to maintain significant affordability in the area, but also allow a more diverse range of income levels to be represented within the neighborhood.

The policies are also structured to reflect the differing needs of the perimeter of the area from the small scale neighborhood character of the interior streets. Rehabilitation funding is focused on the Conservation Area, and HOME funds are targeted to encourage home ownership by existing tenants.

To ensure that rehabilitation and new development create a quality community, design criteria and development standards are proposed for private investment, and urban design recommendations are proposed to govern public investment.

In the recommendations for the Beach Flats which follow, a planning approach will be offered **which conserves and restores a significant portion of the heart of the Beach Flats neighborhood**. This approach has the dual effect of conserving the heart of this neighborhood while building upon the physical, cultural and personal assets of this important community.

C. RECOMMENDATIONS: NEIGHBORHOOD CONSERVATION STRATEGY

The thrust of the following recommendations is to weave together a series of program elements which link public with private expenditures in order to creatively preserve and protect the Beach Flats neighborhood.

The primary objective is to create a viable residential district and establish programs to ensure safe and secure streets, promote community cohesiveness through quality design of buildings and infrastructure, and provide zoning and regulatory protections from commercial incursions and speculation.

Because of the pivotal role which housing plays in the restoration of strong community fabric, a separate chapter detailing these recommendations follows.

1. Recommendation: Safe & Secure Streets

The Beach Flats community must be made safe and secure. This is a central prerequisite for revitalization. Families must not only be secure, but feel secure. Earlier City actions including changes to the traffic patterns, installation of fencing, community policing, and

concentration on drug enforcement provide the context for increased security patrols in this neighborhood.

The principal recommendation is to provide additional security to this neighborhood.

- a. additional police officers should be assigned to the Beach Beat as funding permits.
- b. serious consideration should be given to a **demonstration project** of enhanced security in combination with community service officers working with locally based security patrols.

The basic program element of such a demonstration project includes working with the Police Department and Beach Flats residents to identify:

- the time of day/night when Police officers could best use assistance, and any seasonal variation,
- the most appropriate composition of a roaming security patrol, and
- the safest and most effective way for residents to participate in the program.

The potential benefits of a concentrated demonstration program could include:

- strong message to community that crime will not be tolerated,
- increased assurance to residents that their safety is of principal concern,
- most efficient use of police resources,
- enhanced neighborhood quality of life,
- reduction of risk for new/increased investment in area.

2. Recommendation: Two Planning Areas

Over the years, there has been some uncertainty about the future development direction for the Beach Flats. Some have thought that wholesale rezoning to commercial use was the correct answer — others have believed that a complete redevelopment was appropriate.

This planning process provides an opportunity for the City to clarify in regulatory terms its long-term goals for this area, and to strongly reaffirm the City's commitment to residential, not commercial, treatment of this area.

In order to accomplish this, this Plan recommends clearly identifying future residential use within the “neighborhood conservation area” where rehabilitation, interior and exterior maintenance and increased home ownership will be encouraged; and future multifamily use within a “new development area” where new construction and higher density will be encouraged.

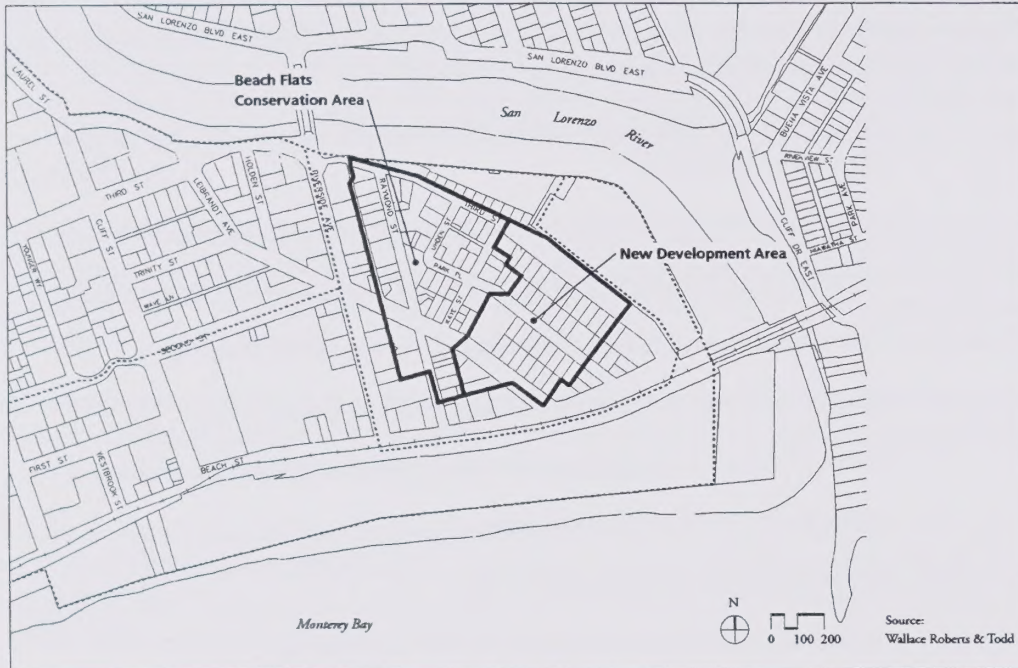
These areas are outlined on the map below, and identify:

- area north of Kaye Street toward Riverside - the “**Conservation Area**”, and
- area south of Kaye Street - “**New Development Area**”.

This distinction responds to the differing needs of the perimeter from the small scale neighborhood character of the interior streets. Additionally, the decision to treat the area in this way will send a strong signal to stop commercial speculation in the heart of the Beach Flats. It clearly identifies where new development and redevelopment are encouraged, and reaffirms the small scale residential nature of the interior.

3. Recommendation: Rezoning Beach Flats

In order to implement the recommendation of a neighborhood conservation strategy, a rezoning will be required. [See following map] Current zoning is RTD- Beach Residential,



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 8 Beach Flats New Development and Conservation Areas

low-medium density residential, where the height may go up to 30 feet, and the density may go up to 27 units an acre.

This study recommends:

- a. maintaining the RTD zone in the Conservation Area, and putting in place a "Neighborhood Conservation Overlay" which requires conformance with specific design guidelines.
- b. establishing a new zone - RTE - Beach Residential Development - for the "New Development Area" a medium density residential zone in which the density may range from 30 to 36 units an acre, with reduced parking requirements, flexible setbacks, no specified lot size for planned developments (PDs), and subject to specific design guidelines. [See illustration of possible development below]



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 9

Proposed Zoning, Beach Flats



EXISTING INTERSECTION: LEIBRANDT & RIVERSIDE

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 11



GATEWAY#1: LEIBRANDT & RIVERSIDE Illustration by Thacher & Thompson

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 12



EXISTING INTERSECTION: LEIBRANDT & BEACH

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 13



GATEWAY #2: LEIBRANDT & BEACH *Illustration by Thacher & Thompson*

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 14



EXISTING INTERSECTION: UHDEN & THIRD

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 15



GATEWAY #3: UHDEN & THIRD

Illustration by Thacher & Thompson

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 16



5. Design Guidelines: Beach Flats

During the course of this planning effort, a separate handbook titled, *City of Santa Cruz Beach and South of Laurel Comprehensive Area Plan Design Guidelines*,¹ was developed, and is published as Volume II of the *Plan*. This handbook should be read in conjunction with this recommendation.

The purpose of this handbook was to establish procedures which would ensure orderly and attractive private and public development. It provides general and specific guidance for seven distinct land uses and densities. Based on the goals and objectives of this planning effort and the General Plan, the *Design Guidelines* identify specific community characteristics which pertain to the Beach Flats. Based on these characteristics, the Guidelines provide specific design guidance for the Conservation Area as well as the New Development Area.

Recommendation: Adopt Design Guidelines

This study recommends the review and adoption of the Design Guidelines and the modification of the existing Design permit regulations (Sec.24.08.410) to require a Design Permit in the Beach and South of Laurel Planning Area for all residential, commercial, industrial or mixed-use building additions exceeding 15% of the existing floor area: any New housing development around the perimeter of the neighborhood will be developed as addition to the front of a building that is visible from a public right-of-way; and any new residential unit(s).

D. ZONING & GENERAL PLAN ACTIONS NECESSARY FOR IMPLEMENTATION

In order to implement the recommendations, the following actions will be necessary:

1. Zoning Changes

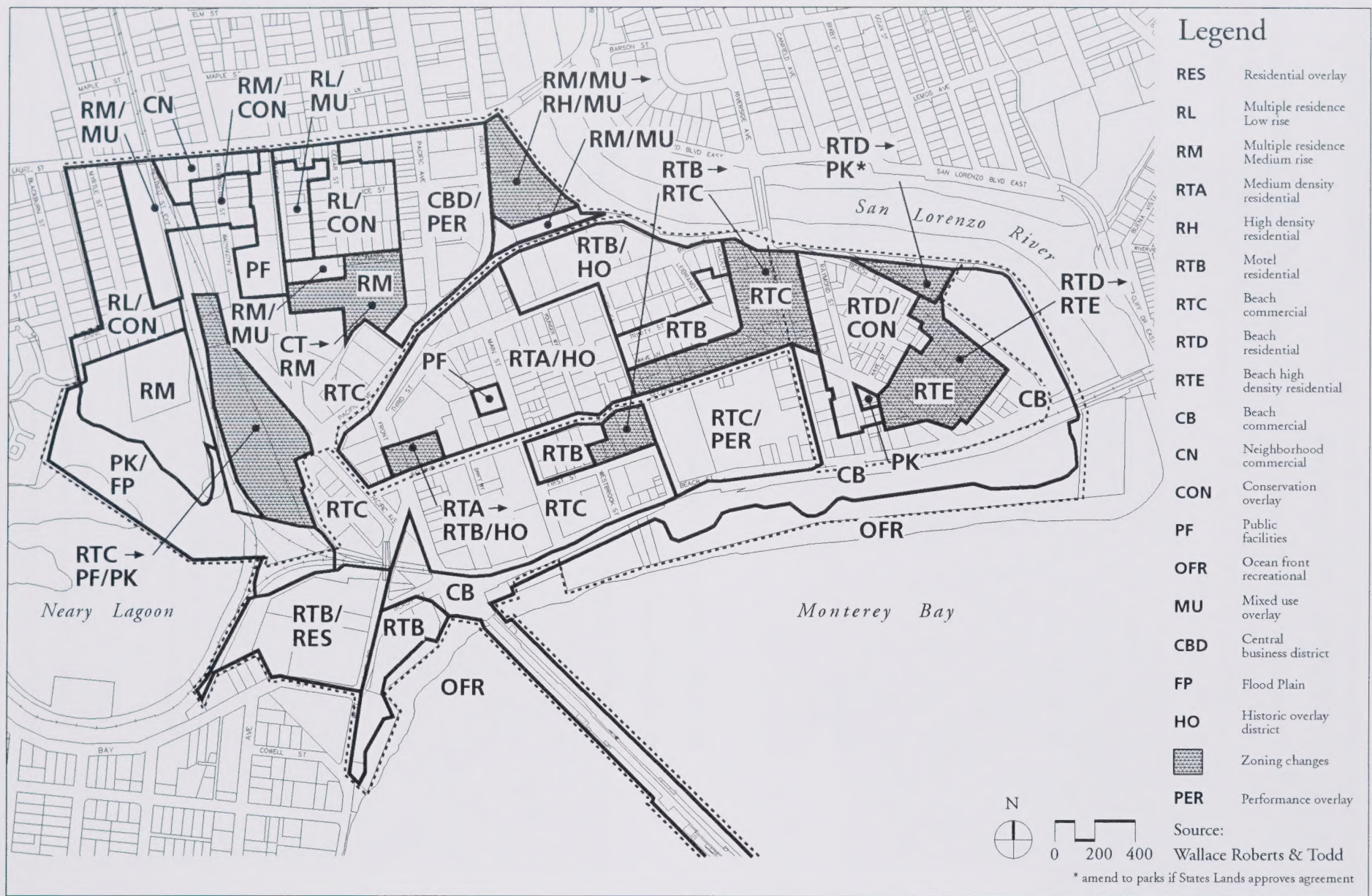
a. Rezone Upper Riverside Avenue from RTB to RTC

In order to ensure that Beach Flats benefits from the controls recommended for the RTC zone, and in order to encourage harmonious integration with the Beach commercial area, this study recommends rezoning upper Riverside Avenue to RTC.

Intersection of Riverside and Leibrandt and Upper Riverside: The General Plan had determined the need to establish an area that can supply the commercial needs of the nearby residential community, such as markets, laundries etc. The General Plan currently identifies this corner for neighborhood commercial uses although it is zoned RTB which does not allow the current commercial use.

Rezoning this area to an RTC designation would also allow the potential for neighborhood serving uses but also allow a variety of visitor serving uses that would be appropriate in the area. It would also be consistent with the other expanded RTC areas that are being proposed. This site is recommended to be changed from a General Plan designation of Neighborhood serving to a visitor serving designation with a RTC zoning classification.

¹ by Lettieri-McIntyre and Associates, Draft, September, 1997.



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 17

Zoning Changes

b. Rezone "New Development Area" from RTD to RTE

The land in the New Development Area, along the perimeter of Third Street, has a high density residential General Plan designation. It is recommended that this 2.5 acre triangle of land be redesignated in the Zoning Map from an RTD designation to an RTE designation. This will allow new residential development at densities that range from 30 to 36 units per acre. The Local Coastal Plan designation will have to be changed from a medium density residential designation to a high density residential designation. Until a community-based planning process determines the ultimate configuration in the area, the RTE zone should allow commercial parking as a conditional use similar to the current RTD zone.

2. General Plan Amendments

Currently the 10.41 acre Beach Flats area has a high-density General Plan designation. It has been determined that the interior scale and quality of the neighborhood should be maintained and that the perimeter of the neighborhood should be developed with new higher density projects. In order to meet these objectives, the General Plan for the 4.41 acre conservation area of the Beach Flats will be changed to a medium-density designation with maximum of 27 units per acre. Existing RTD regulations will be maintained for this area.

New housing development around the perimeter of the neighborhood will be developed as higher density housing to help buffer the existing neighborhood from impacts of the surrounding commercial uses. The high-density General Plan designation will be placed on the new housing development areas and a new zone will have to be created to address the specific issues of this area. New development adjacent to the interior will have a maximum density ranging from 30 to 36 units per acre. A new one-acre park may be developed along the River north of the amusement parking lot, if the State Lands Commissions accepts a recommended settlement agreement. This area will remain with its current land use classification until a final settlement is reached.

The above recommendations would require the following General Plan modifications:

- a. Delete Land Use policy 2.6.7 in G.P. referring to 55 DU an acre special density allowance in the RT districts.
- b. Modify the RT district description in the Housing element of the General plan (Pg. 244) by deleting the last sentence of the first paragraph.
- c. Revise wording in the Development Standards for the Beach Flats Residential area description on pg. 256 to by deleting current text and replacing with new paragraph that describes the proposed modifications.
- d. Modify housing policy 1.3.1.2. related to adopting housing improvement strategy in Beach Flats Specific Plan by deleting this reference and replacing with adopted Beach and South of Laurel Plan.
- e. Housing element amendment required for the description of the new medium density housing concepts in the Beach Flats (reduced density 30 units per acre) on page 244 of the General Plan as part of the R-T district description.

- f. New Development high density area will have to be described to accommodate a maximum density range of 30 to 36 units per acre.
- g. Remove reference to Mixed Use overlay zone on various perimeter properties in the Beach Flats.

3. Neighborhood Primary School

In addition to the recommendations above, this study suggests the possibility of further strengthening a sense of community by the potential establishment of a neighborhood primary school for grades K-3, which may take the form of a “magnet” school with a wide range of educational resources. It is recommended that this concept receive further study as Beach Flats recommendations are implemented.

IV. COMPREHENSIVE HOUSING STRATEGY



IV. COMPREHENSIVE HOUSING STRATEGY¹

A. OVERVIEW & PURPOSE

The City of Santa Cruz has been in the forefront among California communities in addressing housing needs, especially housing for lower income households. For over 20 years, the City has sponsored a housing rehabilitation program for both owner-and renter-occupied units. Repayments from past rehabilitation loans continue to fund this program.

In addition, the City has developed and is implementing a variety of housing programs including homeownership assistance, inclusionary housing, accessory dwelling units, mobile home park rent and sale stabilization programs, and, assistance to affordable housing developers. Because of this substantial effort, approximately 10% of the City's 1995-96 housing stock were affordable units.² The 10% figure represents 2,085 units out of a total housing stock number of 20,211 units.

The City intends to continue this successful effort by concentrating financial and technical resources in the Beach/South of Laurel area, especially in the Beach Flats neighborhood. The issues in these communities are far more complex than they are city-wide and will require a number of interrelated strategies to create a liveable and safe community for residents who are living there now. The preceding Chapter dealt with issues of community stability. This Chapter will focus on a specific housing approach.

As the "Existing Conditions" analysis demonstrated, the Beach Flats neighborhood has changed significantly during the last three decades and is today very different from the neighborhood it was in 1960. The Beach Flats has the highest rate (99%) of renters in the City and also is the most densely populated neighborhood in Santa Cruz. Overcrowded housing, deteriorating units and concerns about personal and public safety are all significant issues in the neighborhood. The situation becomes even more complex because the neighborhood is located adjacent to one of the most popular tourist attractions in northern California, the Santa Cruz Beach and Boardwalk.

Because of this complexity, a multi-faceted housing strategy is necessary in order to improve the residential environment in the Beach Flats. Drawing on its past experience in developing housing programs, the City has identified a coordinated housing strategy with five key components.

These key housing components are designed to compliment each other and, when implemented in tandem, will address the varying degrees and complexities of the housing issues in the Beach Flats neighborhood.

¹ This Chapter is based upon original research by Melanie Shaffer-Freitas of Freitas & Freitas.

² *Affordable Housing in Santa Cruz: Past, Present, and Future*, 1997.

Individually each of the five components will have an impact on housing but, collectively, they will create a very visible and positive difference. The goal of this comprehensive approach then is to revitalize and strengthen the entire community by providing a range of housing activities and opportunities.

B. POLICY FRAMEWORK: COMPREHENSIVE HOUSING STRATEGY

Following the adoption of the 2005 *General Plan* in 1992, the City has focused on:

- **maintaining a compact City with clearly defined urban boundaries** (Goals CD-1,)
- **by promoting infill and intensifying land uses consistent with existing neighborhood patterns in developed areas currently served by municipal services** (Policy CD1.1),
- **by focusing significant development in the Central Core and along arterial and mass transit corridor.** (Policy CD1.1.1)

The *General Plan* also identified the development of at least 700 new units³ in the Central Core by the year 2005. Both the Beach and the South of Laurel areas are within the boundaries of the Central Core Planning area.

Another important goal of the *General Plan* was to provide **five (5) affordable housing sites in the Beach area** (H.4.3.2), and to **promote affordable home ownership programs for first time home buyers in the City.** (H.3.7)

Since 1990, 365 new units have been constructed in the Beach and South of Laurel Planning area. Of those units, 257 have been designated affordable, a number which represents **70% of all the new housing** built in the area since 1990.

Since the adoption of the General Plan, the City has participated in the development of three (3) affordable sites in the study area, including: the 60 unit Sycamore Coop; the 44 unit Shoreline apartments; and the 8 unit La Playa complex. This achieves 60% of the City's stated goals for the area. The 95 unit Neary Lagoon, and the 36 unit Arbor Cove projects were also developed, but were completed before the adoption of the General Plan.

The Beach and South of Laurel Area Plan encourages the creation and maintenance of affordable housing, but also supports the pursuit of a mix of income units in the area. The significant concentration of affordable units in the area does provide the City flexibility in determining appropriate housing mixes in the Beach and South of Laurel area.

The following comprehensive housing strategy will recommend strategies for producing the desired combination of affordable homeownership units, new affordable rental units and new rental and for sale units for working families.

³ *General Plan*, p. 266.

C. FIVE COMPONENTS: COMPREHENSIVE HOUSING STRATEGY

The five components that comprise the comprehensive housing strategy include:

1. conservation and rehabilitation of existing housing stock,
2. homeownership incentives,
3. new construction of affordable as well as non-subsidized units,
4. targeting of financial and technical assistance resources, and
5. replacement housing and relocation assistance.

1. Conservation & Rehabilitation of Existing Housing Stock

The City of Santa Cruz has a long and successful history of administering housing rehabilitation assistance programs. While the programs have been applied citywide in past years, the focus of the program will be shifted to concentrate activities in the Beach and South of Laurel areas.

Financial and technical assistance will be available for owners of both rental as well as owner occupied properties. Special emphasis will be placed on assisting units in the Beach Flats neighborhood. In particular, units in the proposed "Conservation Area" will be eligible for assistance. Further, rehabilitation assistance will be developed to meet the particular needs of this housing stock. This could include such measures as noise mitigation (e.g. replacement of single pane with double pane windows), and flood protection (e.g. raised foundations, flood insurance, etc.)

A two-pronged approach of incentives and constraints is recommended for improving the existing housing stock in the Conservation Area. The first is improving the effectiveness of the City's Code Enforcement program. The second is to offer inducements to current property owners which encourage their direct investment and voluntary compliance.

Recommendation: New Code Enforcement Measures

The City is currently reviewing its code compliance procedures and researching procedural changes in other jurisdictions with the intent of developing more rapid and effective measures.

This study recommends:

- establishing a cost recovery fee schedule for staff time to be paid by non-complying property owner,
- establishing a Hearing Officer procedure of administrative hearings which reduces times to achieve compliance,
- establishing a method to recover relocation costs from non-complying property owners more rapidly,
- establishing a revised list of fines for violations,
- reducing the time between violation and recording a lien or reporting to the Franchise Tax Board.



Recommendation: Targeted Incentive Program

As discussion in the chapter on Existing Conditions documented, fourteen (14) landlords own almost 60% of the housing in the Beach Flats. Only two of these landlords live in Santa Cruz. Historically, absentee landlords present a difficult challenge.

The following incentives programs have been developed to induce direct reinvestment by current landlords and to achieve voluntary compliance within a time certain. They also acknowledge that from the point of view of neighborhood vitality, maintenance of the exterior of the property is more important than interior improvements.

This incentive approach acknowledges that voluntary compliance is far more cost effective than enforcement and often results in a far better product. These following program elements are designed to reduce the out-of-pocket expenditures by the City, for they entail fee deferrals - while leveraging significant private investment.

The intent is to improve property conditions for the tenant, property appearance for the neighborhood, and improve the quality of the assessable tax base for the City.

Recommended elements of the *Interior Maintenance* program are:

- notification of all owners of new code enforcement procedures
- notification of all owners that no permitting fees will be charged for properties placed in voluntary compliance program,
- owners given 3 months to volunteer, and one year to bring property into compliance,
- upon inspection approval, City service fees waived for each unit at a rate not to exceed prior year's billing,
- owners in compliance are eligible for exterior maintenance program grants.

Recommended elements of the *Exterior Maintenance* program are:

- complying owners eligible for grant to off-set costs of facade improvements,⁴
- proposed improvements must meet design guidelines,
- design assistance will be provided free of charge.

Recommendation: Proposed Constraints

For those landlords whose properties are in violation and who elect not to participate in the voluntary compliance program, a concentrated code enforcement program, including the new procedures discussed above, will be put in place.



⁴ This proposal is modeled on the highly successful "Eastside Storefront Improvement Program".

2. Expanding Home Ownership⁵

Few issues play as large a role in creating healthy, stable neighborhoods as that of home ownership. As earlier discussions documented, **the percentage of resident home owners in the Beach Flats neighborhood has declined precipitously since 1960, when it represented over 70%. Today, partly due to speculation, it is less than 1%.** The proposed comprehensive housing approach is designed to halt speculation and encourage homeownership.

Recommendation: Establish Homeownership Incentives

During the course of this planning process the following home ownership proposal was considered by the City on October 14, 1997. **This program has been designed to encourage the purchase of single-family as well as small multi-family properties to be occupied and owned by the owner-residents, and is targeted to current tenants in Beach Flats.**

The overall goal is to increase the percentage of owner-occupied properties, especially in the Conservation Area of the Beach Flats which will result in:

- improved property maintenance,
- increased public and personal safety,
- opportunities for lower income households to directly participate in improving residential properties and then share in the financial benefits of increased property values, and
- most importantly, a healthier neighborhood and living environment for adults and children alike.

Home Ownership Program Elements

- a. The program is funded with HOME funds with an initial target goal of assisting four (4) lower-income households annually. The funds can be used to help with the costs of acquisition or acquisition and rehabilitation of the properties. It is estimated that the public subsidy cost to assist would be approximately \$40,000/unit, less than the typical cost to construct new affordable rental units.
- b. A key assumption in the design of the program is that the public assistance provided is not “give-away” funds, not a grant, but rather a solid loan, acting as a silent second, made in conjunction with other financing, including a financial investment by the applicant.

An important component is the participation in this program by local banks and by community credit unions.

- c. Applicants will be carefully screened to assure that the public’s investment of funds will be repaid not only in financial terms, but also in improved and well-maintained properties over the long term.

⁵ The recommendations regarding home ownership have been developed by Melanie Shaffer Freitas of the firm Freitas+ Freitas.

d. Non-profit organizations could assist in a variety of ways:

- purchase, rehab, and resale of the property,
- financial counseling of potential owners,
- potential lease-purchase arrangements,
- property management counseling of potential owners.

e. First priority for assistance will be units located in the Conservation Area of the Beach Flats neighborhood.

3. New Construction of Affordable & Non-Subsidized Units

A critical component of the comprehensive housing strategy is the development of new housing units, both affordable units as well as housing for working families. The Beach Flats neighborhood in particular contains one of the highest incidences of lower income households in the City. This strategy recommends the creation not only of new affordable units but also the introduction of additional working families and more moderate income households into the neighborhood.

Recommendation: New Housing Sites

Creation of the RTE zone is intended to provide significant new housing opportunities around the perimeter of the Beach Flats.

This study recommends:

- proceeding immediately with construction of new affordable housing.
- revising the 100% replacement demolition permit requirements for the Beach Flats to be consistent with 50% replacement requirement in the rest of the City,
- development of a sensitive and realistic relocation program in accordance with appropriate relocation laws, and
- allowing dilapidated units to be demolished so long as replacement units have been identified.

Recommendation: New Housing Criteria & Incentives - Beach Flats

A primary goal of this study is to stimulate substantial reinvestment in the Beach Flats to **construct quality affordable and non-subsidized housing in an area of significant investment risk**. To do this, a balanced investment strategy is offered below, targeted only to the Beach Flats area and designed to attract both non-profit and private developers to this neighborhood which has not had any significant new investment in the past two decades.

The following recommendations are structured to reduce risk, maximize development in an area of extremely limited land mass, and provide significant additional housing units. In the "New Development Area" of Beach Flats:

- reduce, where appropriate, on-site parking requirement to 1 space/unit,
- eliminate lot size requirement for Planned Development projects, and



- require conformance with development standards and design guidelines,

The City may also consider the option of waiving permitting and other fees associated with new construction for all qualified non-profit and private developers who construct new housing within the next five (5) years in the Beach Flats area.

Recommendation: Criteria for City Participation in Affordable Housing Development-Beach Flats

The construction and management of **well maintained** affordable housing presents a challenge. In order to ensure that any new affordable housing meets the City's goals of enhancing the residential quality of life in the Beach Flats, this study recommends the following minimum criteria for City participation:

- legally binding requirement for on-site resident manager in each new development,
- thorough rental application process which includes background checks, and interviews,
- provision for tenant financial counseling as appropriate,
- provision for families, **with at least 50% of new units to be two or more bedrooms,**
- conformance with development standards and design guidelines.

4. Targeting of Financial & Technical Assistance

Revitalization of the Beach and South of Laurel area is a high priority goal of the City. In order to accomplish this goal, the City is dedicating significant amounts of both financial and technical assistance to the area. This targeting of assistance is considered a vital component of the overall housing strategy because it enables implementation of General Plan goals as well as major housing programs.

For example, HOME funds have been allocated to fund the City's portion of the homeownership program. In addition to the HOME funds, the Housing Authority of the County of Santa Cruz has committed \$30,000 in funds for downpayment assistance for Beach Flats residents who participate in the homeownership program.

A second example is the housing rehabilitation program. The City's housing rehabilitation program has recently been streamlined and is now poised to offer both financial and technical assistance to property owners. The major focus of the rehabilitation program is the Beach and South of Laurel areas, and especially the Beach Flats neighborhood. This is carried out in conjunction with Community Development Block Grant (CDBG) funding of code enforcement activities specifically in the Beach Flats area.

Finally, the Redevelopment Agency of the City of Santa Cruz has indicated that housing set-aside funds will be available in the next few years to fund housing related activities in this area. These four funding resources are the City's major sources of housing monies, and the City has demonstrated their commitment to the Beach and South of Laurel area by targeting these funds for housing programs in the study area.

D. RELCOATION POLICY & REPLACEMENT STRATEGY

The following information is taken from the comprehensive briefing memo prepared by the Redevelopment Agency.⁶

1. Relocation Policy:

The California Relocation Act, Government Code Section 7260, requires public entities and private persons or entities undertaking programs or projects through agreements with public entities, to pay relocation benefits and to provide relocation assistance to persons or businesses displaced by the program or project as follows:

- Homeowners displaced from their property through acquisition are entitled to the difference between the acquisition price of the dwelling and the cost to acquire a replacement dwelling, including moving costs, interest differential payments, and the incidental costs of acquisition, such as points, escrow fees, etc.
- Renters displaced from their property through acquisition are entitled to actual moving expenses or an in lieu payment calculated on the number of rooms. Recent legislation approved by the state legislature may allow renters to receive the payment of the difference between comparable replacement rent and the lesser of existing rent or 30% of income calculated over 42 months as consistent with Federal relocation law.
- Business establishments are entitled to moving costs, including re-establishment expenses, or an in lieu of payment, calculated as the average net profit of the business over the preceding two years of operation.

Both the Redevelopment Agency and the City Council have adopted Relocation and Acquisition Guidelines in accordance with California State law as well as with Federal law.

In the case where no City funding or acquisition action is involved, the City's local regulations require that low and moderate income households, for up to two years before the action, who are displaced by demolition or conversion shall receive relocation assistance of two months rent or other arrangements agreeable to the tenant. [City of Santa Cruz, *Zoning Code*, Section 24.08.1350).

Relocation assistance and benefits are established by law. However, the City and the Redevelopment Agency have limited experience in displacement governed by State and Federal law. Therefore, on occasions when projects receive formal agreements involving City participation, the City shall retain professional relocation consultants to assist in both the interpretation of applicable law, as well as in the process of relocation of affected occupants.

Recommendation: Apply the following Relocation Policies in the Beach and South of Laurel.

- The City's relocation policy shall conform with local, State and Federal Law, with the more generous policy prevailing in the instance of more than one funding source.

⁶ September 23, 1997.

- The City shall make a good faith effort to provide affordable housing opportunities for current residents who may be displaced by changes resulting from the Plan and who are eligible for affordable housing in accordance with appropriate relocation laws.
- When relocation is necessary, the City shall hire professional relocation consultants to assist in the process to ensure compliance with applicable relocation laws.

2. Replacement Strategy:

Over twenty years ago, following the adoption of the original *Beach Area Plan*, (1980), actions were taken to make the replacement housing requirements in RT Districts in the Beach area more restrictive than they were citywide. The citywide standard of 50% replacement of affordable bedrooms for units that have been demolished or converted was doubled in the Beach area to a 100% replacement requirement.

This restriction has made new housing development in the Beach area extremely difficult to accomplish. Policy 1.8 of the “Housing Element” of the *General Plan* states that “**the City should consider modifying policies and practices to remove regulatory barriers to the development, conservation, or rehabilitation of housing.**” Because of these two considerations above, in 1996 with the adoption of the *Beach Area Plan Strategy*, the City Council endorsed the recommendation to “amend the demolition conversion permit requirement from 100% replacement of affordable bedrooms to 50% in the Beach area to be consistent with the rest of the City,” to encourage a mix of income groups in the Beach area as long as there was no net loss of affordable units in the greater Beach and South of Laurel area.

Section 33413(b) of California Community Redevelopment Law (CRL) requires that whenever dwelling units housing persons and families of low and moderate income are destroyed or removed as part of a redevelopment project which is subject to a written agreement with the Agency, or where financial assistance has been provided by the Agency, the Agency shall, within four years of this demolition or removal, rehabilitate, develop, or construct or cause to be rehabilitated, developed or constructed for rental or sale to persons and families of low or moderate income, an equal number of replacement dwelling units somewhere in the entire redevelopment area which have an equal or greater number of bedrooms as those destroyed or removed.

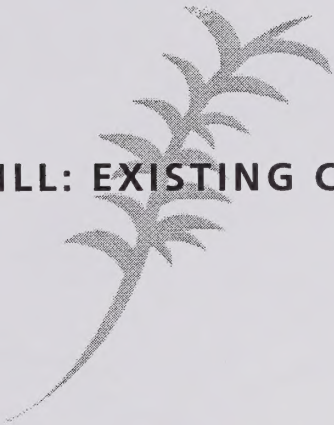
Under current law, when dwelling units are destroyed or removed involving Redevelopment Agency actions, 75% of the replacement units shall be made available at affordable housing costs in the same income level of the persons or families displaced.

Recommendation: Adopt Replacement Strategy

- The City’s replacement strategy shall be consistent citywide. Amend the demolition/conversion requirement for private development in the RT district from 100% replacement to 50% replacement of affordable bedrooms, as long as there is no net loss of affordable units in the greater Beach and South of Laurel planning areas. Dilapidated units shall be allowed to be demolished as long as replacement units have been identified.

- If there is a written agreement of City or Redevelopment Agency involvement in a project which entails demolition or conversion, then there shall be 75% replacement of affordable bedrooms.
- The City shall proceed with development of at least one affordable housing project of approximately 25 units in the Beach Flats with all deliberate speed. To the extend that there is public participation, occupancy priority shall be given as follows:
 1. Eligible households displaced by the development.
 2. Eligible households living in substandard housing in Beach Flats.
 3. Eligible Beach Flats residents.
 4. Eligible City residents.
- The City shall encourage affordable housing projects within the Beach and South of Laurel to provide sufficient units for low and very low income residents to ensure that the lowest income levels are among those served by new housing. As much as possible, the City shall attempt to minimize the number of people relocated, for both economic and social reasons.
- For Redevelopment Agency assisted projects, the Redevelopment Agency shall monitor all construction/demolition in the Beach area for consistency with applicable law. State law allows a four-year time period from demolition/conversion of units to construction of replacement units. The Redevelopment Agency shall ensure compliance.



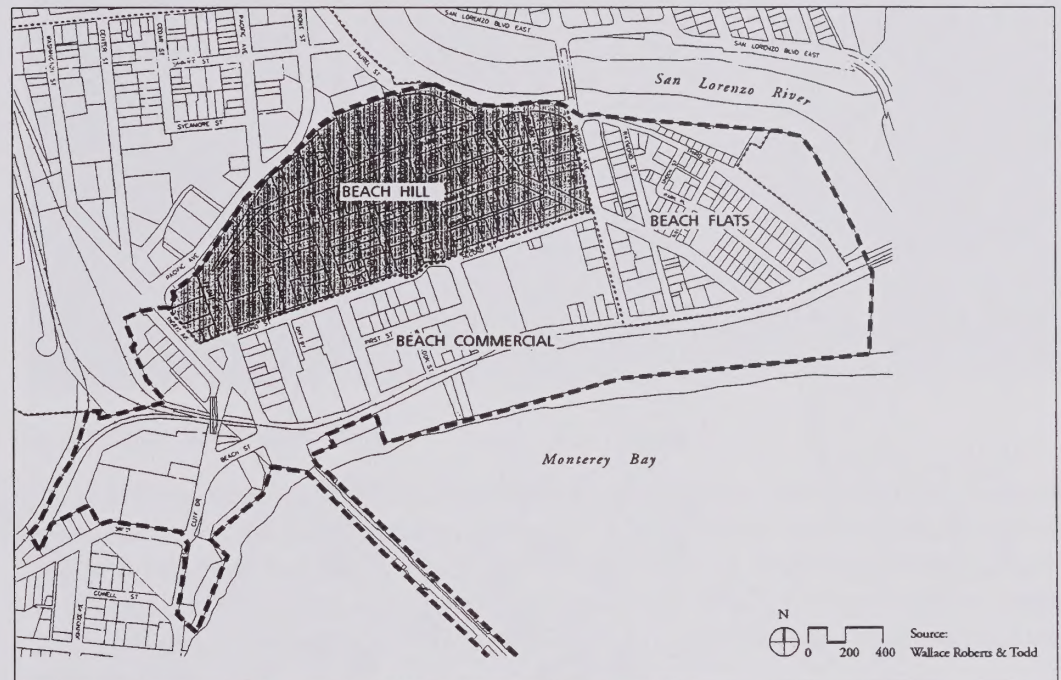


V. BEACH HILL: EXISTING CONDITIONS

V. EXISTING CONDITIONS: LAND USE & ZONING BEACH HILL

A. OVERVIEW

Beach Hill is a distinct promontory within the Beach Area. Steep cliffs define the west and northern edges along Pacific Street and Front Street. To the east and south, the area steps down gradually toward the Bay losing any semblance of height at the intersection of Leibrandt and Riverside.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 18

Beach Hill Boundaries

B. NEIGHBORHOOD CHARACTERISTICS

1. Overview

Beach Hill evolved with the commercial and recreational success of the Beach area. For a period of approximately 20 years, from the mid-1870's to the mid-1890's, prominent ship captains, bankers, and entrepreneurs displayed their wealth through the construction of large Victorian mansions at the highest point overlooking the Ocean. Gradually Third Street became lined with grand and imposing structures, each with extensive porches, turrets, and ornamentation characteristic of the age.¹

¹ There is an extensive and illustrated discussion of these magnificent structures in Gibson, *Santa Cruz Waterfront*, 1997.



It is these large scale Victorian residencies which are the most notable characteristic of Beach Hill. The City's *Historic Building Survey*, designed to identify historic and architecturally significant structures deserving preservation, has identified 18 buildings within the Beach Hill neighborhood.²



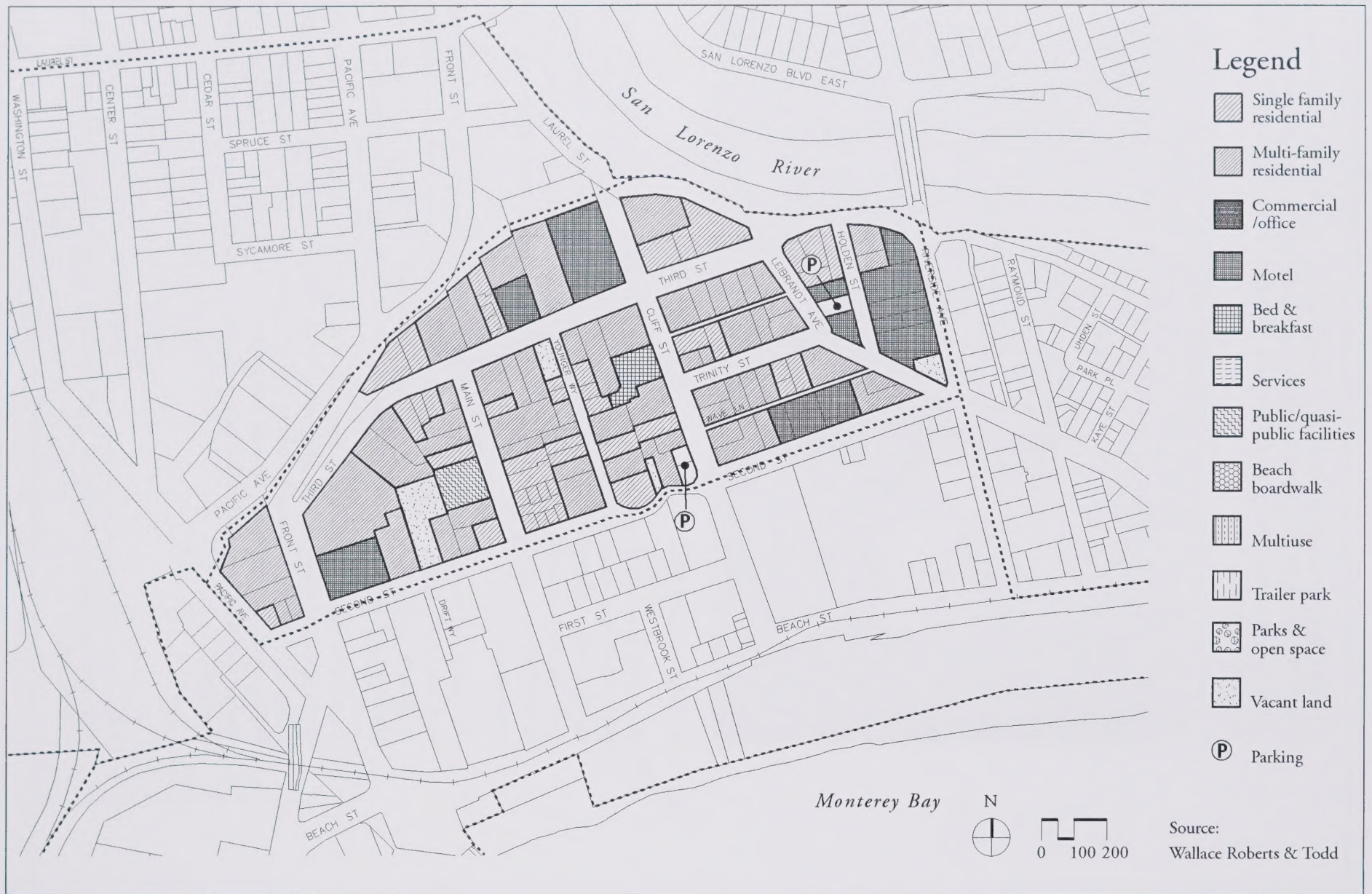
2. Existing Land Uses

Beach Hill represents a genuine mixture of residential land uses. Like other neighborhoods in the Beach Area, the overall character is dense due to small lot sizes and building separations and fairly large scale buildings in relation to lot sizes. However, unlike other neighborhoods in the Beach, it has a substantial number, approximately 20%, of owner-occupied single-family dwellings. The majority of the 354 residential units are in sound condition and well maintained.

The Beach Hill area covers approximately 40 acres and contains primarily residential uses, with hotel use located at the fringes of the area. There are approximately 354 permanent residential units and a 163 bed retirement community, resulting in a population of approximately 980 persons, at a population density of 2.3 persons per household.

As the following Figure illustrates, there is an extensive mixture of single-family dwellings with apartments, condominiums, and motels. While Younger Way is predominantly single-family, Cliff Street represents an eclectic mix of apartments, single-family and bed and breakfast usage. Third Street, once the principal residential boulevard of Beach Hill, still retains a number of majestic Victorians interspersed with motels and multiple family dwellings.

² As cited in David J. Powers & Asso., *Beach Area/South of Laurel (BA/SOLA) Master Plan Area*, 1996, p.32-7.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 20

Beach Hill Land Use



Much of the history of this area can be seen in the changing fortunes of one building – the Sunshine Villa.³ Constructed as a cottage in the 1850's for one of Santa Cruz's 49er's, Dr. Francis Kittredge, it was transformed into an elegant hotel in 1883, and converted into a private residence in the 1890's.

By the 1930's, the house was once again functioning as a hotel – the McCray Hotel – but gradually declined during the post-war period. By the 1980's, this once grand residence had become a haven for vagrants and drug dealers. With a great deal of effort, the structure was reclaimed by a local architect and converted and expanded into the 163 bed Sunshine Villa Retirement Community which now anchors the corner of Third Street and Front.

The changing nature of land uses in Beach Hill is seen in the concentration of motel uses around its perimeter. While the principal residential core is centered on Main, Younger, Third and to some extent Cliff Streets, extensive motel use, approximately 180 rooms, characterizes the west side of Riverside, Leibbrandt, lower Second Street and the corner of Second and Front Streets. There are also two older motels interspersed along Third Street near Cliff.

The majority of these motels were constructed during the postwar years, and their long, linear style and flat roofs, typical of auto court architecture, detract from the overall architectural richness of the area.



Additionally, several of the older, smaller motels and multi-family dwellings particularly along Riverside and Second Streets are very poorly maintained and in need of substantial rehabilitation.

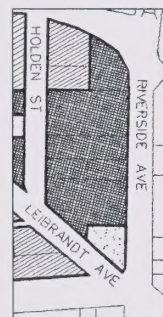
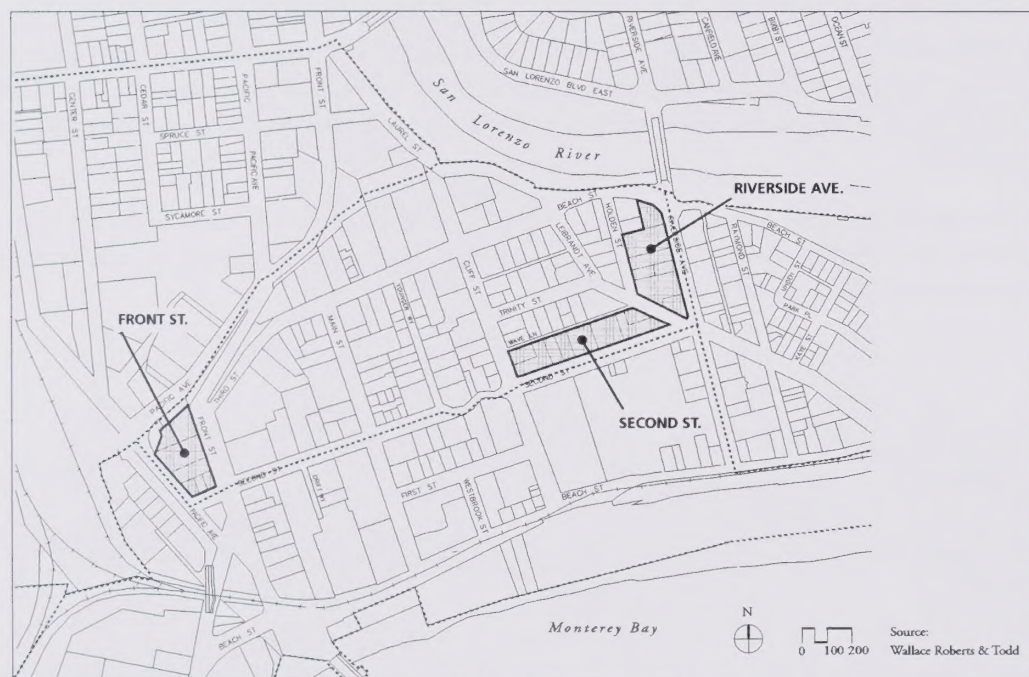
³ Gibson, *Santa Cruz Waterfront*, p.6-7.

3. Issue of Neighborhood Edges

Neighborhood integrity often begins to fray at the edges. This is true of Beach Hill. It is particularly true where commercial motel and older apartment uses have little or no physical relationship to the rest of the neighborhood and suffer from the lack of maintenance and reinvestment.

There are three specific “edges” to Beach Hill which are showing signs of stress. They are:

- Riverside Avenue,
- Second Street, and
- the west side of Front Street.



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 21

Beach Hill Neighborhood Edges

Riverside Avenue

The west side of Riverside Avenue is lined with four budget or non-brand motels, totaling 60 rooms, and one vacant corner lot used as paid parking during the season.

While the specific issues regarding lodging industry functioning will be addressed in a later chapter, it is important to note here that Riverside Avenue is the gateway to the Beach and the eastern portal to Beach Hill. While one of the properties has recently been renovated, there are clear issues of maintenance, code enforcement and spill-over parking associated with the remaining motels.

The pressures associated with this commercial use are evident most particularly near the intersection of Riverside, Second Street and Leibrandt.

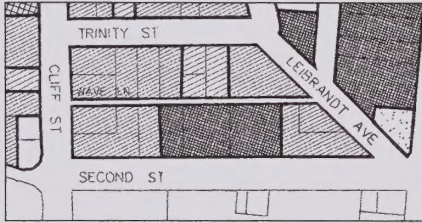


Second Street

The second critical edge to Beach Hill is Second Street which forms the border and provides a transition between commercial and residential uses. The earlier, excellent 1980 *Beach Area Plan* addressed issues of traffic circulation on Second Street, and due to its recommendations upper Second Street between Cliff and Main was narrowed and landscaped.

Of concern today, is lower Second Street, between Cliff, Leibrandt and Wave Lane, and across from the Main Beach parking lot which serves the national visitor attraction of the Boardwalk. This block maybe one of the most densely populated blocks in the City. There are 56 small scale multi-family units, and 52 motel units which tend to convert to monthly rentals at the end of the summer season.

In addition to serious overcrowding in some of the units, the area also suffers from the adverse impact of intense traffic congestion during the Season. The half block closest to Leibrandt and Riverside is an area clearly “at risk,” reflecting lack of maintenance, overcrowding, and the total absence of any buffering between residential and commercial uses.



West of Front & East of Pacific

The final area of concern is the isolated small block located between Pacific Avenue, Front Street and Second – a neighborhood truly on the edge. It is composed of thirty-six units in small scale houses and cottages dating from an earlier era. While these houses have a certain charm about them, the majority of the properties are in need of significant exterior maintenance. The northernmost property, still sporting an old motel sign, is a concentrated collection of summer cottages which once served visitor uses.



Earlier planning studies of Beach Hill have not incorporated this block into their analysis. This may be because of the great width of Front Street at this section, as well as the fact that these homes stem from a later era than the Victorians across the street.

However, visually, this block could play a prominent role in effectively enclosing this edge of Beach Hill and in establishing a boulevard effect for approaching the Wharf. It is the first residential streetscape a driver sees after leaving the downtown on Pacific Avenue. If this side of Pacific Avenue were brightly refurbished – in a manner similar to the “painted ladies” effect of the small Victorians across the street – a charming western border to Beach Hill and a pleasing entryway to the Beach and Wharf could be created.

C. ZONING ON BEACH HILL

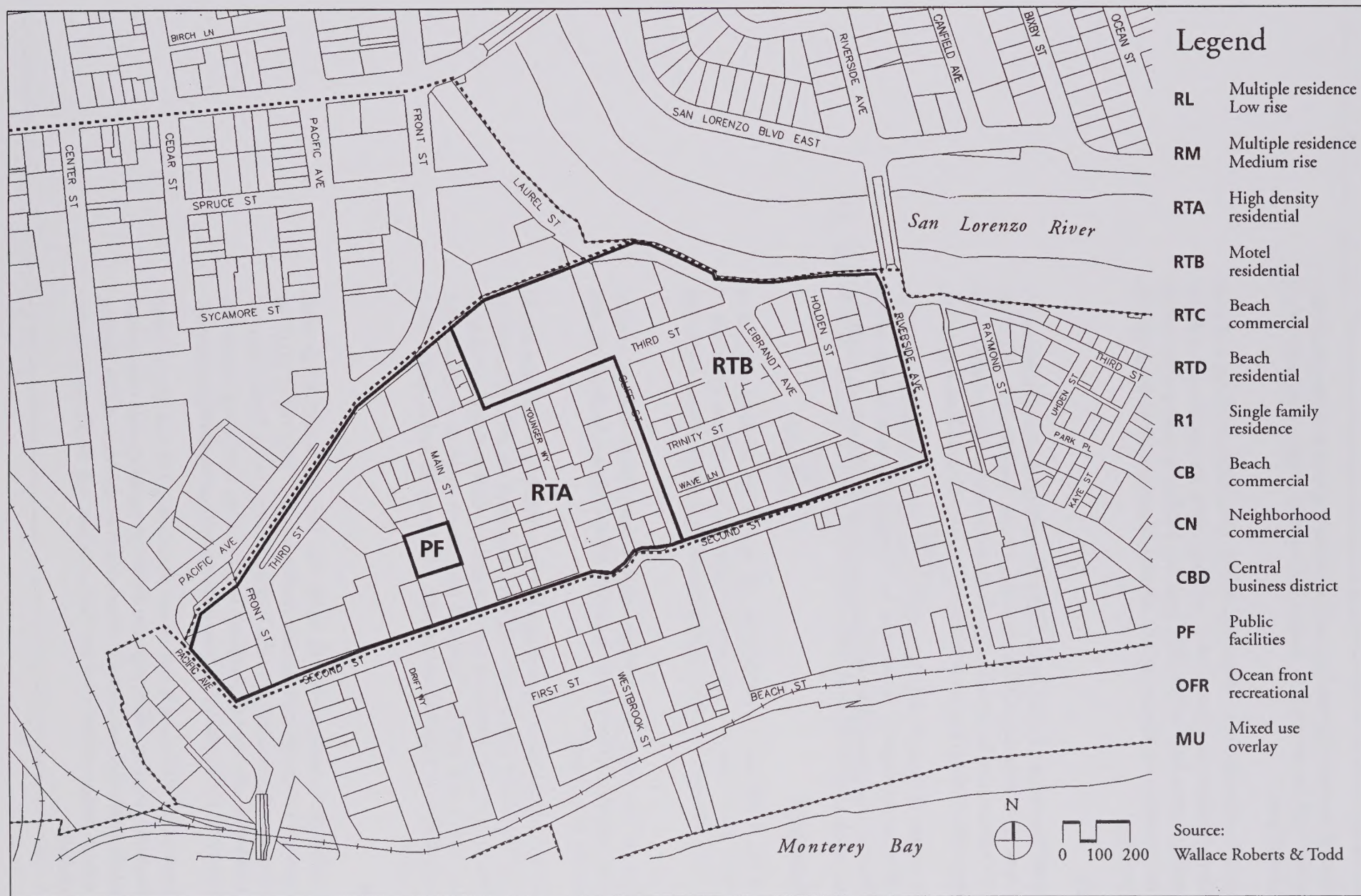
1. Overview

Zoning was revised in 1975 with the desire to stabilize and upgrade the area through an R-T, Tourist Residential zone [24.10.600]. The purpose of this zone is “to establish a zoning district to accommodate a mix of residential, motel, and commercial land uses and to preserve historical buildings and tree within the district.” The R-T zoning category has 4 subdistricts: High-Density Residential (RTA); Motel Residential (RTB); Beach Commercial (RTC); and Beach Residential (RTD).

Two of these zones are applied to Beach Hill. They are RTA and RTB. [See following map]

2. RTA - High Density Residential

The purpose of RTA, which has been applied to the western half of Beach Hill, is to “establish standards for high-density residential uses which promote and protect the residential characteristics of the subdistrict and provide a suitable environment for its residents.”



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 22

Existing Zoning, Beach Hill

Additional purposes are “to preserve the architectural and historic character of this subdistrict, all new development will be reviewed to ensure high-quality design compatible with surrounding residential uses.”

In general, all types of residential units – from single-family to multiple dwellings of 9 units or fewer – are allowed subject to approval of an administrative use permit and a design permit. Larger residential uses, bed and breakfast inns, and public and quasi-public uses are subject to a special use permit. Motel uses are not allowed. Maximum allowable height for 3 units or more is 55 feet.

Zoning Issues: RTA

The current *General Plan* designation for Beach Hill is for medium density development – up to 30 units an acre. The definition of RTA states that it is for “high density” residential/motel uses, up to 55 units an acre. In the following chapters recommendations will be made to bring the language of the zoning text into conformance with the General Plan designation.

The motel at the corner of Second and Front Streets is a non-conforming use. This planning effort offers an opportunity to enhance its compatibility with the rest of the neighborhood. Specific recommendations will be proposed in the chapter on “Land Use Recommendations: Beach Hill.”

3. RTB-Motel-Residential

The **purpose** of RTB, which has been applied to the eastern half of Beach Hill, is to “establish and control uses to ensure a compatible mixture of uses address the needs of residents and tourists. Dominant uses contemplated are motel and high-density residential uses.”

Additional purposes are “to encourage a mixture which is attractive to both permanent residents and tourists, emphasis will be placed on compatibility in design, landscaping, and a comprehensive review of use siting.”

In general, all types of residential units - from single family, to family daycare/foster family homes, multiple dwellings of less than 9 units and boardinghouses, are allowed subject to approval of an administrative use permit and a design permit. Coffee shops, community care facilities, motel, hotel and bed and breakfast inns, larger multiple dwellings and retirement homes are subject to a special use permit. Maximum allowable height for 3 units or more is 55 feet.

Zoning Issues: RTB

Within the zone, reference is made to “motel, hotel, and bed and breakfast inn uses, including both permanent residential and transient residential uses.” [24.10.612 (2)a.] In discussing issues relating to the functioning of the lodging industry in the Beach Area in a later chapter, the problem of adverse neighborhood impact of the alternating conversion from transient to permanent residential use without minimal code or standards is addressed.

A second zoning issue in the RTB zone is that of the functioning and viability of lower Second Street. A proposed rezoning, offering greater flexibility to incorporate commercial uses, permit companion redevelopment with the construction on the Main Beach Parking lot, and ensuring greater design control over any new structure will be discussed in the recommendations chapter.

VI. BEACH HILL: RECOMMENDATIONS



VI. RECOMMENDATIONS: LAND USE & ZONING BEACH HILL

A. OVERVIEW & PURPOSE

Beach Hill is not a “neighborhood at risk” as is Beach Flats, but it is in need of assistance. This need is reflected in the land use conditions at the edges of the residential core, particularly along Riverside and Second and on the small block of residential properties along Front Street.

Additionally, this elevated neighborhood whose fortunes have ebbed and flowed with the fortunes of the commercial area at its perimeter, is in need of stronger definition of where it begins and where it ends to protect it from tourist related penetration as well as increasing local traffic along Third Street.

B. PLANNING POLICY

1. Overview

Since 1975, when design permit requirements were added to the zoning on Beach Hill, the desire to improve functional relationships between land uses and promote better overall design has been a consistent policy theme.

The basic policy for this area was defined in the *City of Santa Cruz Beach Area Plan*, adopted in July, 1980. Its major policy recommendations have been incorporated into the *City of Santa Cruz General Plan and Local Coastal Program, 1990-2005*, II, “Beach Area Plan Summary,” p.5-12.

2. Policy Framework

The basic policy regarding Beach Hill to date has dealt primarily with the important issues of traffic impact and design. Among the primary policies cited in the 1980 *Plan* and the *General Plan* are:

- a. Protect and enhance the unique historical, archaeological, architectural and aesthetic qualities which are present in the Beach Hill subarea.
- b. The scale, height, bulk and color of new or expanded physical development should reflect and strengthen the best existing examples in the immediate vicinity of the Beach Hill area.
- c. Preserve existing landscaping and encourage new landscaping which will emphasize the visual prominence of Beach Hill. Emphasis should be placed on indigenous forms.
- d. New development on the bluffs of Beach Hill subarea should visually emphasize and enhance this natural topographic resource.

- e. Reduce the volume of traffic, redirect beach-oriented parking to expanded public parking sites and improve pedestrian accessibility, safety and circulation in the Beach Hill subarea.
- f. Allow projects at the lower end of the General Plan density range.
- g. Develop entry point to Beach Hill that will visually identify this subarea and discourage through automobile traffic.

In addition to these policies, the 1996 *Beach Area Plan Strategy* addressed the Beach Hill residents' strong desire to protect and enhance the quality of life in the neighborhood and to limit impacts from surrounding tourist serving uses. To do this, the *Plan Strategy* recommended that :

- an Historic District be established, and
- the summertime permit parking program be maintained and the reconstruction of the Laurel Street extension be promoted.

3. Summary of Policy Proposals

The adopted policies listed above are designed to improve the quality of life in Beach Hill by protecting and enhancing its magnificent historical assets, encouraging compatible design in rehabilitations and new development, and establishing clear neighborhood gateways.

These policies have worked well for the central historic core of the neighborhood. However, as the above analysis has indicated, there are significant signs of both weariness and distress along the perimeter of this planning area, in particular along Riverside Avenue, Second Street and Front Street. It is crucial to the future health of this neighborhood that its boundaries be stabilized and improved.

In recommendations below a planning approach will be offered which seeks to strengthen neighborhood cohesiveness and addresses the blighting issues of maintenance and code enforcement in both the residential and commercial uses in the edge areas.

C. RECOMMENDATIONS: NEIGHBORHOOD CONSERVATION STRATEGY

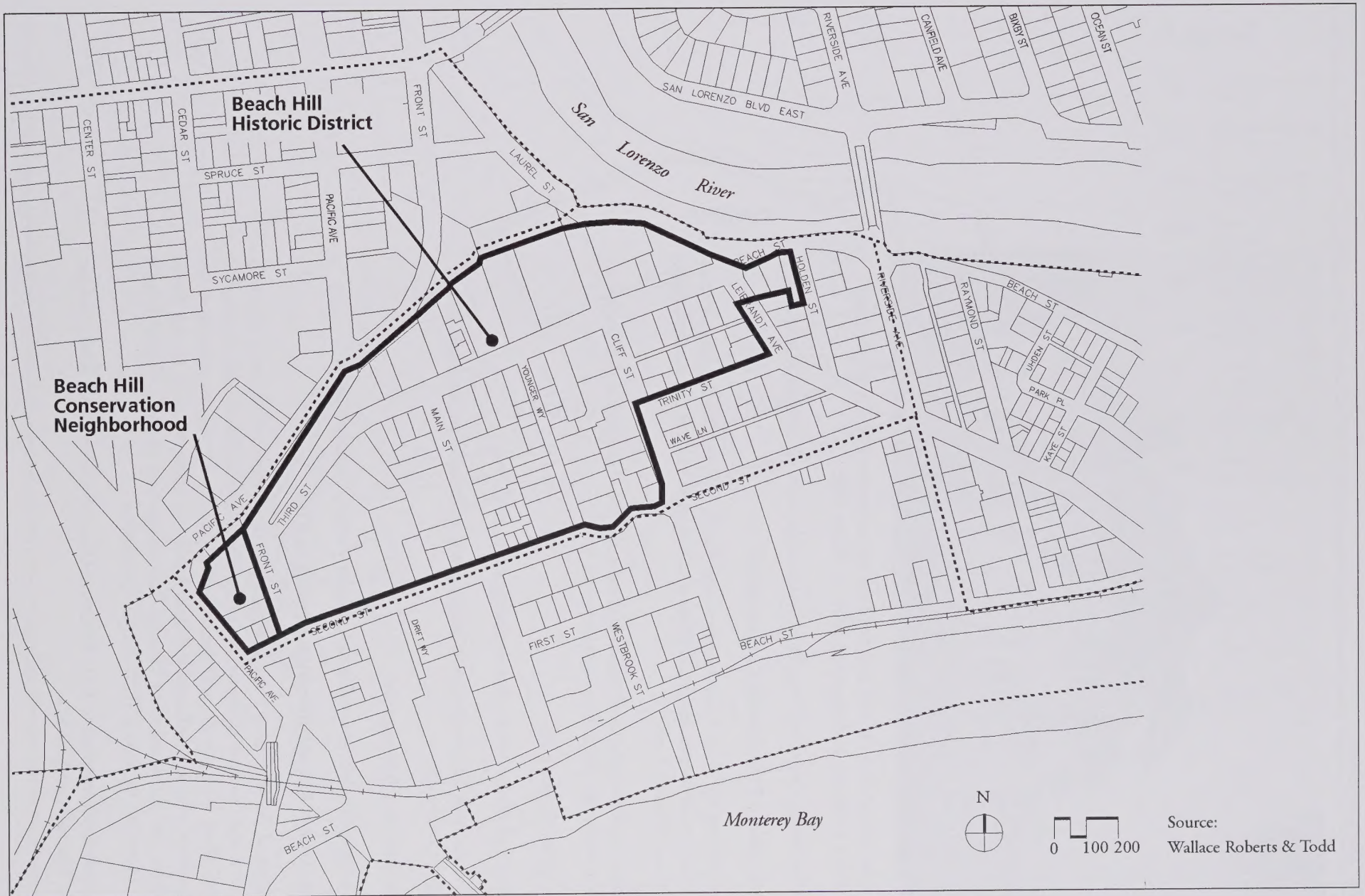
The clear intent of the following recommendations is to devise a multi-faceted program of aggressive neighborhood conservation procedures in tandem with long-term investment by individuals and the City in this historic neighborhood. The following recommendations address issues raised in the Existing Conditions report of historic preservation, small scale rehabilitation, zoning, neighborhood edges and gateways and code enforcement.

1. Recommendation: Historic Preservation District

The principal element of the neighborhood conservation strategy being proposed for Beach Hill is to formally designate this area as an Historic Preservation District.

Recommended elements of this proposal include:

- expansion of General Plan proposed boundaries to include properties between Leibrandt and Holden [See following Map], and





- recommendation for staff analysis of the incentives provided for maintenance of the Mills Act and its applicability to Beach Hill.

Expansion of the boundaries would require a change to the Cultural Resources Map, CR-3.

2. Recommendation: Front Street Conservation

In addition to placing the block between Front and Pacific into the Historic Preservation District, this study recommends designating this small isolated block at the western edge of Beach Hill a “Conservation Area”.

This designation would include the program elements, discussed in detail in the Chapter on Recommendations for the Beach Flats Conservation Area.

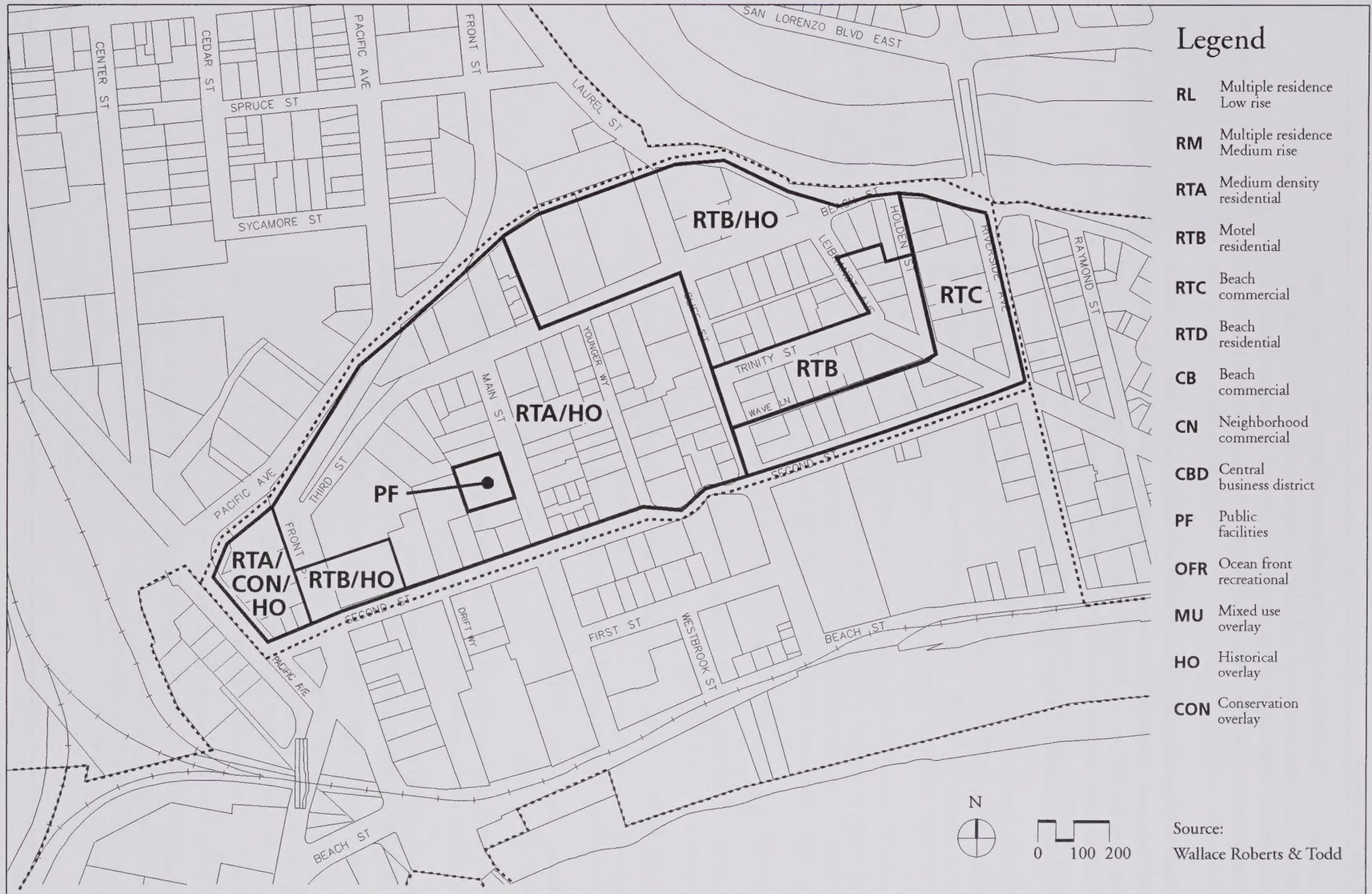
Among the program elements are:

- new code enforcement measures targeted to area,
- interior and exterior maintenance program, with technical assistance and grant assistance,
- home ownership program.
- design guidelines governing new development and rehabilitation.

3. Recommendation: Rezone Riverside Avenue to RTC

The eastern edge of Beach Hill is bounded by Riverside Avenue which has a distinctly different character and function from the core of the residential neighborhood. Riverside is a major arterial, lined with motels, and the principal gateway for visitors coming to the recreational facilities of the Beach and the Boardwalk. It relates directly to the Beach Commercial Area and shares the same *General Plan* designation of RVC, Visitor-Serving Commercial. However, its zone is RTB, Motel-Residential.

This study recommends rezoning to RTC Riverside Avenue between Third Street, Holden and Leibrandt. [See following map]



Rezoning this area to RTC, Beach Commercial, would be consistent with existing *General Plan* designation of this area, consistent with the existing character of the Street, and provide for the potential integration of other visitor support services such as retail and restaurant uses as the area redevelops. Only one small property at the northwest corner of Riverside and Leibrandt is vacant.



Additionally, this rezoning may promote the rehabilitation of existing motel uses and may stimulate the redevelopment of underutilized sites. Development standards will be proposed for all projects within the RTC zone. Design Guidelines, which incorporate architectural and landscaping requirements, are a part of this Plan and are incorporated by reference.

4. Recommendation: Stabilize Lower Second Street

Lower Second Street, between Cliff, Leibrandt and Wave Lane, and across from the Main Beach parking lot forms the southern edge of Beach Hill. The half block closest to Leibrandt and Riverside is an area clearly “at risk”, reflecting lack of maintenance, overcrowding, and the total absence of any buffering between residential and commercial uses.

In conjunction with Riverside Avenue, this portion of Second Street acts as a perimeter to Beach Hill, and the major arterial and gateway for the majority of visitors coming to the Beach in their cars. The adverse impact of this traffic congestion which is constant during the season, is a serious deterioration in the quality of residential life.

This study recommends a comprehensive approach toward dealing with these issues.

- **Intensify Code Enforcement.** Include area in code enforcement initiatives proposed for the Beach Flats.
- **Buffer Traffic:** Discuss additional landscaping/buffering of Main Beach parking lot with owners. As the area redevelops, revisit the existing circulation pattern to reduce transportation impacts on this Street.
- **Rezone from RTB to RTC** to permit companion redevelopment with Main Beach lot.
- **Place in Beach Commercial Overlay District** to encourage compatible development and residential mixed use.

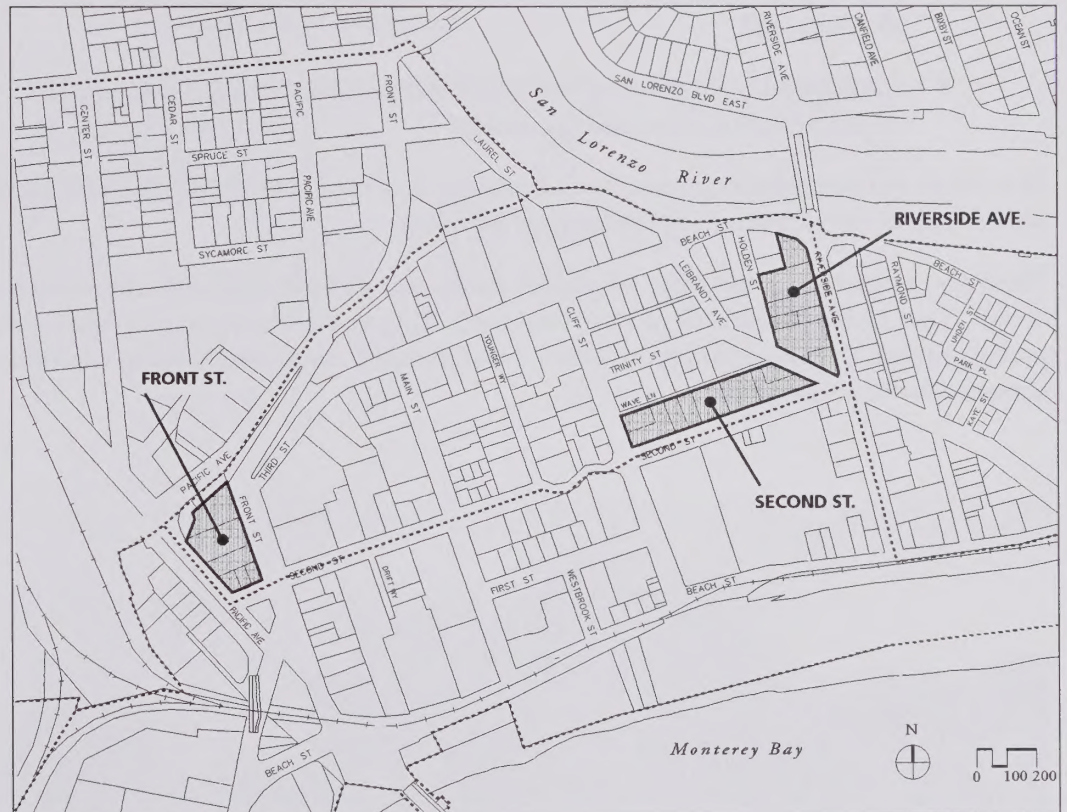
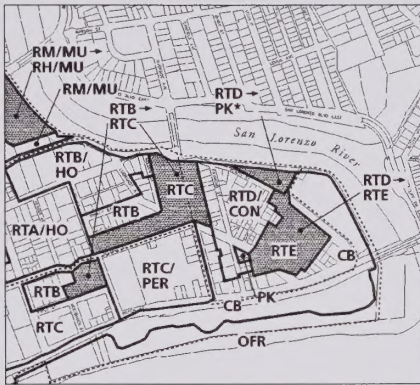
Currently this area is developed with 52 motel rooms and 54 multi-family units. It is designated in the *General Plan*, as is the rest of Beach Hill, for medium density residential, but the fact is that its actual functioning is as high density residential and motel uses.

Rezoning this block and placing it in the Beach Commercial Overlay District would provide for the development of residential/mixed use projects in this high impact area. It would also allow for the incorporation of visitor serving retail as the Main Beach parking lot develops. However, it is anticipated the retail locating on Second Street would more likely be small scale local serving uses.

The height flexibility of the Beach Commercial Overlay Zone would provide for the construction of higher density housing on this site. Such a development may serve to anchor this crucial southern edge of Beach Hill.

Currently this area has a General Plan designation of Medium Density Residential (M) and a zone of RTB, Motel Residential. Rezoning this area to a RTC, or Beach Commercial zone would require a General Plan amendment to a visitor serving designation. This designation would allow the potential development of other visitor support services such as restaurants or other similar uses.

Only one property is vacant which is at the corner of Leibrandt and Riverside Ave. Changing the zone would provide a transition between a more intensive commercial corridor and the residential neighborhood behind Riverside Avenue. Additionally, it may promote the rehabilitation of existing motel uses and promote the establishment of other visitor serving uses in the corridor. Although the area is already primarily built out, promotion of new visitor support services could benefit the area.



5. Recommendation: Rezone Northeast Corner: Second & Front to RTB

The northeast corner of Second and Front Streets is currently the site of a 22 room motel, and is zoned RTA, Beach Residential use. The hotel was built in the 1950s in the long, low, flat-roofed style of an older auto-court and is not in keeping with the character of the neighborhood. Since this is a non-conforming use, existing regulations do not allow the owners to upgrade this facility.

Rezoning this parcel to an RTB designation would encourage future upgrading in a manner with is consistent with the historic nature of Beach Hill. Existing General Plan designation allows this modification without a General Plan change. This rezoning is recommended with the clear understanding any changes to the property would have to be in keeping with the architectural and landscaping requirements of the proposed Conservation as well as Historic Design Guidelines.

A summary of development potential in Beach Hill is listed in Appendix A.

6. Recommendation: Traffic Management & Pedestrian Amenities

Residents of Beach Hill have expressed a strong desire to limit impacts of traffic circulation and parking. A seasonal residential parking program was instituted in the mid-1980s to address this concern.

This study recommends:

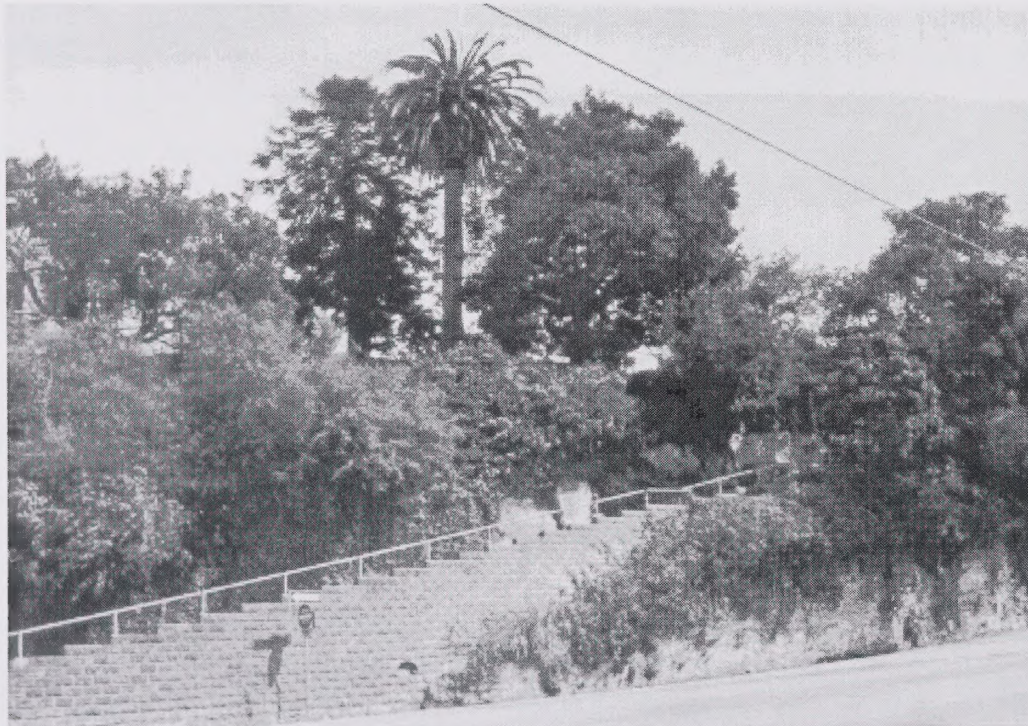
- maintaining the permit parking program to limit visitor parking,
- developing an early warning system to monitor changing traffic, parking and circulation impacts on Beach Hill as the Beach Commercial area develops, and
- implementing the proposed neighborhood gateways to help define entries to the residential area and calm traffic.

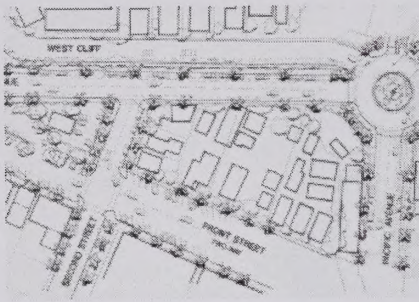
In addition to these improvements, the reconstruction of the Laurel Street Extension will serve to relieve the volume of traffic through Beach Hill.

There are two pedestrian stairways which link the heights of Beach Hill with the South of Laurel. They are located at Cliff and at Front Street. They have an historic importance and provide functional pedestrian access within the study area. Improved lighting would be beneficial for these stairways.



Appropriate new development incorporates Victorian architecture in contrast to the less compatible 1950's horizontal form and flat roof





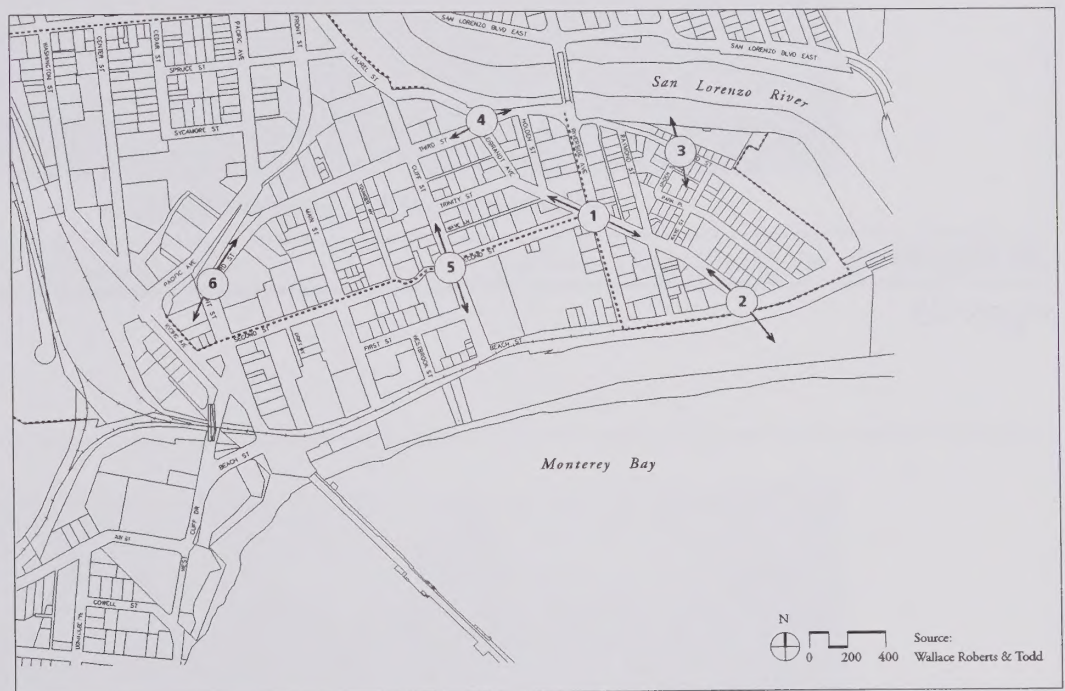
Front and Second Street

D. URBAN DESIGN : BEACH HILL

Beach Hill has a strongly established sense of place. Where cohesiveness of the neighborhood begins to weaken is at the edges. The following urban design recommendations have been developed to enhance the entryways to the neighborhood at very definable intersections.

1. Recommendation: Implement Urban Design Recommendations

- at Front and Second Street
- at Leibbrandt and Third,
- at Second and Cliff, and
- at Front and Third Street.





Existing Intesection: Second & Cliff Streets

The Phipps Group

City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 25



Gateway #5: Second & Cliff Streets

Illustration by Thacher & Thompson

The Phipps Group

City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 26



Existing Intesection: Third & Leibrandt Streets

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 27



Gateway #4: Third & Leibrandt Streets

Illustration by Thacher & Thompson

The Phipps Group

City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 28



Existing Intesection: Third & Front Streets

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City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 29



Gateway #6: Third & Front Streets

Illustration by Thacher & Thompson

The Phipps Group

City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 30

E. DESIGN GUIDELINES: BEACH HILL HISTORIC

During the course of this planning effort, a separate handbook titled, *City of Santa Cruz Beach and South of Laurel Area Plan Design Guidelines*, Lettieri-McIntyre and Associates,¹ was developed. This handbook should be read in conjunction with this recommendation.

The purpose of this handbook was to establish procedures which would ensure orderly and attractive private and public development. It provides general and specific guidance for seven distinct land uses and densities. Based on the goals and objectives of this planning effort and the General Plan, the *Design Guidelines* identify specific community characteristics which pertain to Beach Hill. Based on these characteristics, the Guidelines provide specific design guidance for the Historic Core as well as the perimeter.

In general, the Guidelines call for adherence to the Victorian Design theme. Developments outside the Preservation Area are required to contribute to the overall design improvements for the area. Victorian, Spanish Colonial Revival and other traditional architectural themes are recommended and may be required depending on the project's proximity to nearby buildings that exhibit distinct architectural styles. If the area becomes an Historic District, then properties designated as "historic" will have to comply with the Secretary of Interiors standards when undergoing renovation.

Additional design guidelines for commercial and hotel and motel developments on Riverside Avenue are included in the Guideline's requirements for Beach commercial.



1. Recommendation: Adopt Design Guidelines

This study recommends the review and adoption of the Design Guidelines and the modification of the existing Design permit regulations (Sec.24.08.410) to require a Design Permit in the Beach and South of Laurel Planning Area for all residential, commercial, industrial or mixed-use building additions exceeding 15% of the existing floor area; any addition to the front of a building that is visible from a public right-of-way; and any new residential unit(s).

¹ Draft, September, 1997.

VII. BEACH COMMERCIAL: EXISTING CONDITIONS



VII. EXISTING CONDITIONS: LAND USE & ZONING BEACH COMMERCIAL AREA

A. OVERVIEW

The Beach area has always played a central role in the history of Santa Cruz. In the mid-19th Century, with the construction of its first wharf in 1849,¹ and the development of California's first ship-building center near the mouth of the San Lorenzo River, the area seemed destined to evolve as a major industrial port-city.

However, even as sea captain's homes began to line the impressive heights of Beach Hill and West Cliff Drive, there were signs that the future economy, while still ocean dependent, was not to be solely industrial. For even in these early days seamen's wives began taking in seasonal boarders who came seeking summer sunshine and a better climate.²

While a second and a third Wharf was constructed in 1855 and 1864 to handle freight related to lumber and fishing, and a railroad spur was added ten years later, large boarding houses and small hotels were being constructed along what was to be known as Front Street and later Pacific Avenue.

By 1865, the Seaside Home Hotel had opened, and by early 1870, the first of many elegant tourist hotels was constructed on the site at the corner of Beach and Main Streets adjacent to the Steamship Wharf.



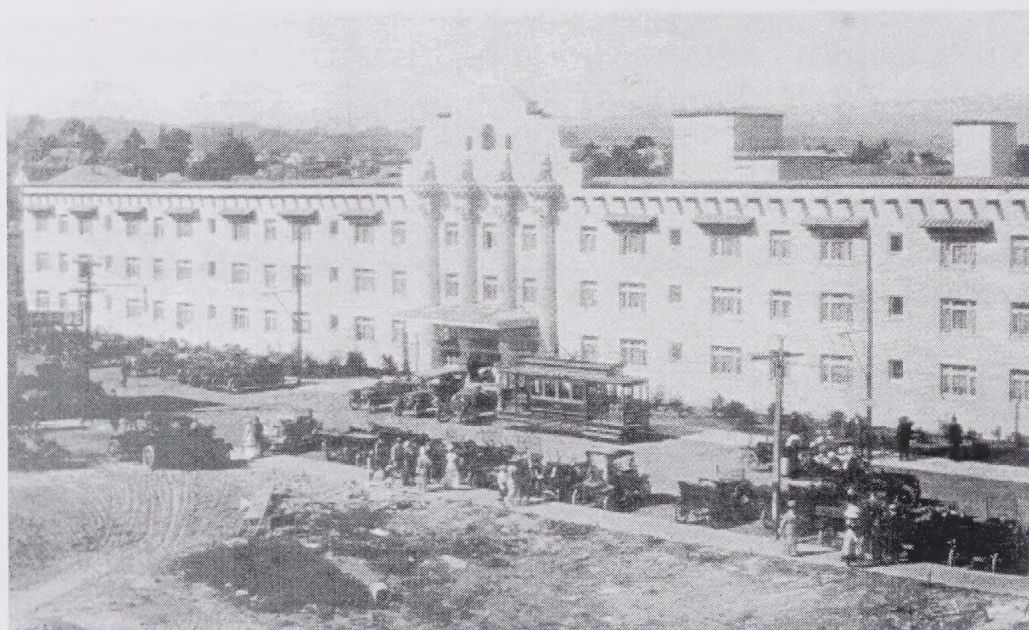
¹ Sources indicate two separate dates for construction of the first wharf. R.E. Gibson, *History & Future of the Santa Cruz Waterfront*, (1997), states that the first wharf was constructed in 1848, p.4. The *City of Santa Cruz Beach Area Plan*, (1980), cites 1853 as the appropriate date, p.4.

² Historical background is taken from: R.E. Gibson, *History & Future of the Santa Cruz Waterfront*, 1997, and *Empire of the Casa del Rey*, 1997; as well as Philip Williams & Associates, *San Lorenzo River Enhancement Plan*, 1988, and the excellent 1980, *City of Santa Cruz Beach Area Plan*.

Gradually this building expanded into the famous Sea Beach Hotel which burned to the ground in 1912. It was replaced by a large, Spanish Colonial style, private residence which today operates as the Casa Blanca Inn.

The nature of the area was dramatically changed by two events. In 1876, the railroad arrived on Beach Street, making visitor access to Santa Cruz for the first time both convenient and affordable. And in 1882, the old, high wharf – the symbol of the Beach area’s industrial aspect – which extended from the corner of Second and Main Streets out into the Ocean was torn down, opening up for residents and visitors a panoramic view of the Bay.

With the arrival of the energetic entrepreneur, Fred Swanton at the turn of the Century, the future of the Beach as a major tourist destination was secured. He opened the first Boardwalk Casino in 1904 and rebuilt it on a grander scale in 1907 after a devastating fire. By 1911, Swanton had completed the 300 room majestic hotel, Casa del Rey at the corner of Cliff and Beach Streets and moved many of the small cottages which had occupied the site eastward to the area now known as Beach Flats. In 1926, the La Bahia Apartments were constructed by the Seaside Company to provide vacationers with extended stay facilities.



The advent of the Depression, followed by World War II brought an end to the halcyon days of this early tourism. Even before 1929 however, the nature of Beach tourism was changing. By 1921, with Highway 17 paved in concrete, automobiles had changed the character of the typical tourist from the relatively affluent visitor from the San Francisco area who would stay in a hotel for two weeks or two months, to the day visitor who might stay the weekend at an auto-court, but more likely would spend the day at the Boardwalk and the Wharf and then return home.³

³ See discussion in B. Judd, "La Bahia Apartments, Santa Cruz, California: Architectural and Development Analysis", September, 1997.

B. BEACH COMMERCIAL AREA CHARACTERISTICS

1. Overview

In the 1920s and 30s, in response to this changing visitor demand, smaller budget and non-brand motels were constructed as replacements as the larger hotel facilities either aged or in some dramatic cases burned to the ground. The result is that the Beach commercial area today is represented by a succession of existing motels dating from the 1940's and 50's interspersed with small scale seasonal retail uses.



This history of the Beach has determined its future. Its location at the northern edge of the Monterey Bay as a maritime and major recreational center has resulted in an area which today possesses a unique blend of uses. It is the historic tourism center of the City of Santa Cruz attracting up to 2 million visitors a year; the site of the last remaining Pacific Coast Amusement Park; the location of an half-mile long historic Wharf; and home to nearly 2,700 permanent residents in the neighborhoods of Beach Hill and Beach Flats.⁴ It is this very juxtaposition of commercial and residential uses which both adds vitality to the area and raises significant planning issues.

Located within commuting distance of San Jose, one of the fastest growing metropolitan areas in the nation, the City of Santa Cruz has been subject to increasing pressures. During the past decade, due to an improving regional economy and the successful rebuilding after the Loma Prieta earthquake, the pace of change has increased. A surge in demand for housing, especially affordable housing, and a growing appreciation of the City as a place to live and to visit has resulted in major economic pressures on land uses and housing densities, on roadways, and on the City's ability to absorb the seasonal influx of visitors. Many of these pressures are concentrated most dramatically within the 120 acres of the Beach area.

⁴ D.J. Powers & Associates, Inc., *Beach Area/South of Laurel (BA/SOLA) Master Plan Area*, July, 1996, p.10.

This congestion places enormous pressures on the City's public spaces and rights of way, parking facilities and residential streets, and perhaps most importantly on the citizens who recognize signs of stress in the quality of life in this area.

Over the years, the result of this feeling has been a certain ambivalence about the Beach area – marked by a desire for improved safety and increased investment, coupled with a concern about maintaining an affordable housing inventory in the Beach Flats.

However, while many have been looking at outside impacts as the primary causal factor for decline in the Beach, as the following discussion will illustrate, there have also been significant structural changes within the very urban fabric of the Beach area. While its importance as the economic engine of tourism for the City has been maintained, this fact is coupled with changing ownership patterns in the Beach commercial area, and a notable lack of private reinvestment.⁵ The lack of reinvestment in the commercial area is matched by the decline in the adjacent residential neighborhood of the Beach Flats where there has been substantial and adverse changes in population density and homeownership patterns.

These changes which the Beach area has undergone during the past two decades make it imperative that the City take advantage of this planning opportunity to direct a series of positive and vigorous program initiatives to preserve and enhance the extraordinary assets which the Beach area possesses; that is, the waterfront, the Wharf and its maritime activities; the Boardwalk and visitor serving facilities; and the small scale as well as grand historic residential neighborhoods.

2. Beach Commercial Boundaries

The principal commercial/recreational activities of the Beach area are concentrated along Beach Street, beginning at the Wharf intersection of Pacific Avenue and Beach Street, encompassing the Wharf, the Boardwalk, and Front Street.

The core of this commercial area is essentially one block deep – bounded on the north by Second Street and on the South by the Monterey Bay.

For the purposes of this Plan, the boundaries of the Beach Commercial area extend from the west at Bay Street and West Cliff Drive, include the promontory adjacent to the West Cliff Trestle, and are bounded on the east by the San Lorenzo River and Third Street, and includes the River parking lot. This study also includes the Wharf within the Beach Commercial area. It is also important to note that while the designation of Beach Commercial ends at Second Street, visitor serving commercial uses and facilities extend up both sides of Riverside Avenue to the Riverside Bridge.

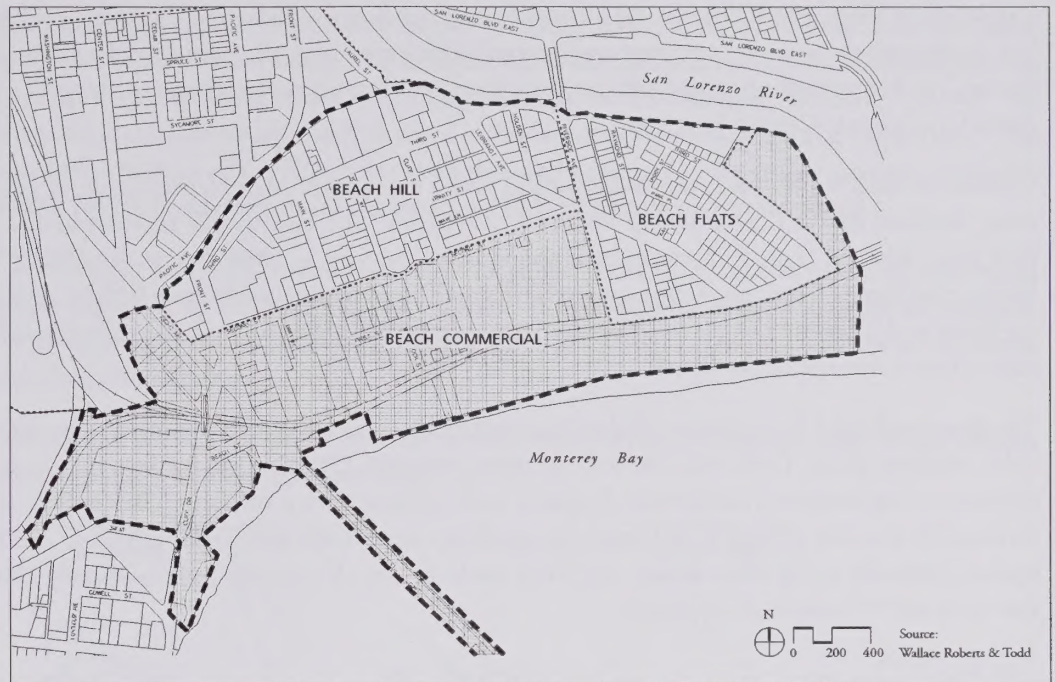
3. Beach Land Uses

Recreational Uses

The Beach Commercial area in Santa Cruz is characterized by three nationally famous recreational facilities: the Santa Cruz Beach, the Santa Cruz Boardwalk, and the Santa Cruz Wharf.⁶

⁵ With the important exception of the Seaside Company which has consistently maintained the recreational facilities of the Boardwalk.

⁶ The Beach is included by reference in the land use discussions.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 31

Beach Commercial Area

The Santa Cruz Boardwalk

The Santa Cruz Boardwalk is the last remaining Pacific Coast Amusement Park in America, and was designated a California State Historic Landmark in 1989. Two of its rides, the 1911 Charles Loeff carousal, and the Giant Dipper roller coaster have been declared National Historic Landmarks.⁷



⁷ G. Kyriazi, *The Pacific Coast Amusement Parks, A Study of Their Past, Present, and Future*, (undated), Section 4: "The Santa Cruz Beach Boardwalk – A Survivor", p.19-29.

Unlike most amusement parks in the United States, the Boardwalk has no “gate fee”. This is a management policy by a private corporation which provides all visitors to the City of Santa Cruz both visual openness and easy beach access, thus implementing a major goal of Santa Cruz’s Local Coastal Program.⁸

Central to Santa Cruz’s past, the Boardwalk is also a key component to the future of this area. Refitted in 1981, at a cost of almost \$10 million,⁹ the Boardwalk reinvestment at that time was the central economic component of the City’s 1980 *Beach Area Plan*.¹⁰ Today, the Seaside Company’s proposals to attract a major quality conference facility at the La Bahia and integrate it with the historic Cocoanut Grove are again stimulating renewed reinvestment interest in the Beach.

The Boardwalk is a 12-acre commercial recreational facility which contains various amusement rides totaling about 1140 seats as well as approximately 170,000 square feet of shops, restaurants, concessions, conference facilities and administrative offices. This facility is serviced by a variety of public and employee parking areas which total approximately 2201 spaces, primarily in the Main Beach and River parking lots. It employs approximately 200 full-time and 975 seasonal employees.

The Wharf

The Wharf is a City-owned facility, approximately ½ mile long, which is located above public trust land in the Monterey Bay National Marine Sanctuary. It is the longest wharf on the West Coast¹¹, and is a key City owned asset.

Evolving over the years from its original industrial beginnings, the current Wharf, constructed in 1914, is “more than a fishing pier or an assortment of restaurants and shops, the wharf provides a valuable element of the continuity in the city’s historical fabric.”¹²



Municipal Wharf, Santa Cruz, California.



⁸ City of Santa Cruz, *General Plan and Local Coastal Program: 1990-2005*, Vol. I, p.411-412.

⁹ *Newsweek*, August 14, 1989, “Down by the Boardwalk”.

¹⁰ *Plan*, p.iii.

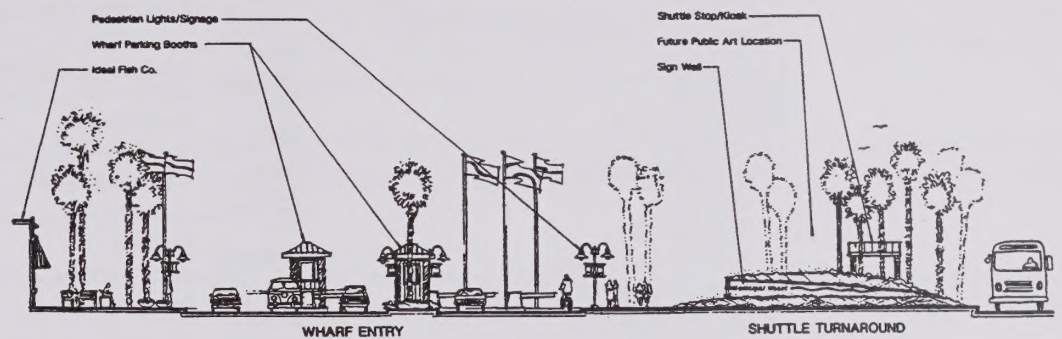
¹¹ Brochure: “Welcome to the Santa Cruz Wharf.”

¹² The 1980 *Plan* carried out a specific design analysis, p.74.

Because of the central importance of the Wharf as both a City owned and managed asset and as an integral component of the Beach Commercial area, the 1980 Plan identified the goal of "improving the wharf's connections with the surrounding shoreline." (p.74). To that end, significant design and physical improvements were proposed and carried out. The basic substructure of the Wharf has been renewed during the past decade, and major aspects of the *Beach Street Promenade Design Plan* (1991)¹³ have been implemented.

The result of this work is the reconstruction of the Wharf intersection which serves both to improve pedestrian access and enhance the sense of arrival, providing for a shuttle turnaround, wharf ticket gates, a boardwalk connection from the Wharf to the Promenade and improved sidewalk and lighting.

The Urban Design recommendation of this Plan has been guided by these earlier studies and continues their general direction.



Wharf Intersection Elevation - Beach Street Promenade
Callander Associates

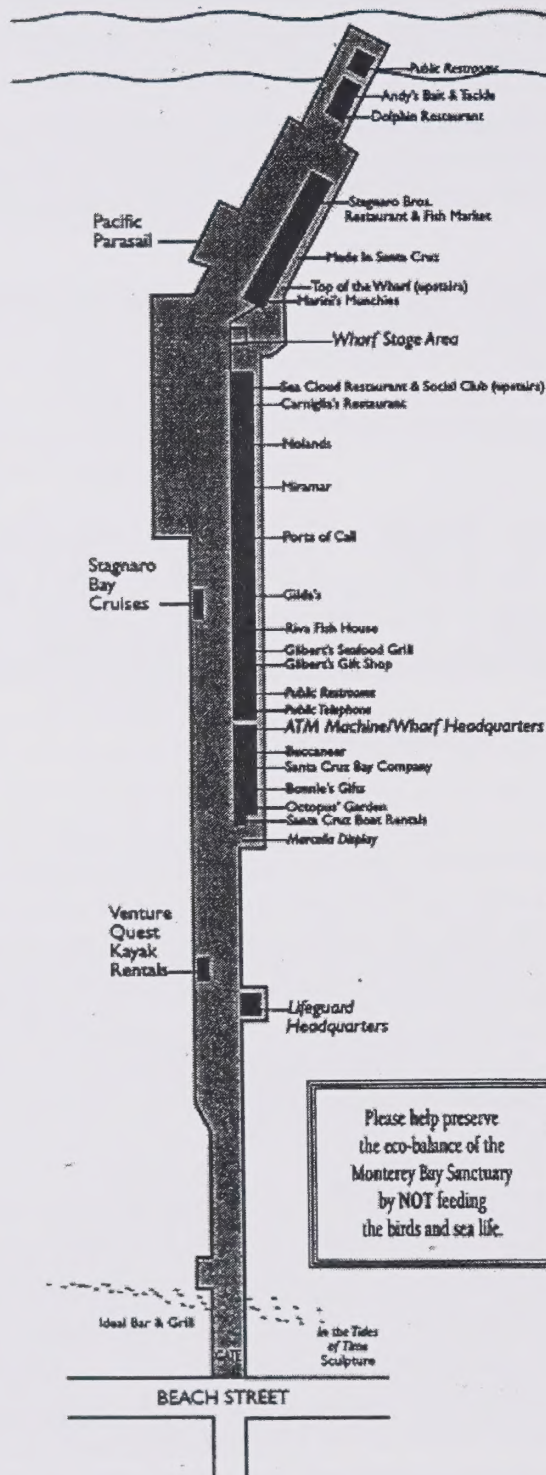
In addition to these physical improvements, the Department of Parks and Recreation in conjunction with the Redevelopment Agency have begun a series of program and management activities designed to enhance both local and visitor attendance and enjoyment of the Wharf's many attributes.

A glance at the following brochure reveals the number and extent of managed program activities, many of which in conjunction with targeted Boardwalk promotions such as the "Haunted House" are serving to draw local residents again to the Beach area in large numbers.

Local support for Beach commercial activities is a crucial element in any successful implementation strategy and will be an important component in the recommended management approach to the Beach.

The Wharf is the longest drive on the West Coast and possesses both a retail and a maritime aspect. There are ten retail establishments on the Wharf which total approximately 13,628 square feet of retail use. In addition, there are eight restaurants which total approximately 35,390 square feet of restaurant use. There are five maritime related uses such as boat rentals, fishing excursions and the recently inaugurated water taxi services. There are also 429 parking spaces.

¹³ Callander Associates, *Beach Street Promenade Design Plan*, approved, Jan. 1991.



Wharf & Waterfront Events At-A-Glance

Sunday August 18	Art on the Wharf	Wharf Commons Area 429-3477
Sat & Sun August 24 & 25	Aloha Races & Polynesian Festival	Santa Cruz Wharf 429-3477
Saturday September 21	Shark Festival & Feeding Frenzy	Santa Cruz Wharf 429-3477
Sunday October 6	Fireworks Spectacular	Santa Cruz Wharf 429-3477
Thursday October 31	Halloween on the Wharf	Santa Cruz Wharf 429-3477
Friday November 29	Santa Sails-In	Santa Cruz Wharf 429-3477
Mon & Thurs Dec 16 & 19	Caroling Under the Stars	Mon-Lighthouse Pt. Thurs-S.C. Wharf 429-3477

1997

Saturday February 22	15th Annual Clam Chowder Cook-Off	Beach Boardwalk 429-3477
Sunday February 23	Great Chowder Chase	Beach Boardwalk 429-3477
Sunday March 9	5th Annual Jazz on the Wharf	Santa Cruz Wharf 429-3477
Sunday May 4	3rd Annual Great Salsa Taste-Off	Santa Cruz Wharf 429-3477
Sunday June 15	Art on the Wharf	Wharf Commons Area 429-3477
Saturday June 21	3rd Annual Woodies on the Wharf	Santa Cruz Wharf 429-3477
Sunday July 20	Art on the Wharf	Wharf Commons Area 429-3477
Sunday July 27	Wharf-to-Wharf Race	Starts on Beach Street 475-2196
August TBA	Cuervo Gold Volleyball Tourney	Main Beach 800-CUERVO-8
Saturday August 2	24th Annual Roughwater Swim	Main Beach 429-3747

Santa Cruz  Wharf

Wharf Rents and Sales by Fiscal Year

Year	Rents	Sales
1991	\$775,295	\$14,588,520
1992	\$768,150	\$14,551,667
1993	\$710,877	\$13,953,329
1994	\$741,742	\$14,051,994
1995	\$712,754	\$13,246,700
1996	\$752,644	\$14,773,914

Source: Finance Department Quarterly and Annual Summaries

In spite of recent improvements in the economy and corresponding rise in collections of the Transient Occupancy Tax, and in spite of Wharf entry improvements and increased lease, parking and program management, Wharf rental income and sales have remained essentially flat during the past six years.¹⁴

Commercial & Retail Uses

The major recreational assets of the Beach, Boardwalk and Wharf operate as the engine which drives the economy of the Beach. The remaining Beach Commercial area consists of approximately 44 acres dedicated primarily to visitor serving commercial facilities which support these recreational activities. [See following map].

Hotel/Motel Land Uses

Within the confines of the Beach Commercial plan area there are ten (10) motels, plus one Bed and Breakfast providing 390 rooms, of which the Dream Inn's inventory of 163 rooms represents approximately 42% of the total. The remaining rooms are distributed in increments of thirty rooms or less among the other nine motels.

However, in the more general Beach area, there are a total of twenty-four (24) hotel/motels: nine (9) in the Beach Hill; three (3) in Beach Flats; and two (2) in the South of Laurel along Pacific Avenue.¹⁵

There are a number of significant issues in terms of how this land use is maintained and operated which directly impact both upon the commercial viability of the Beach area and upon the residential quality of life in the surrounding neighborhoods.

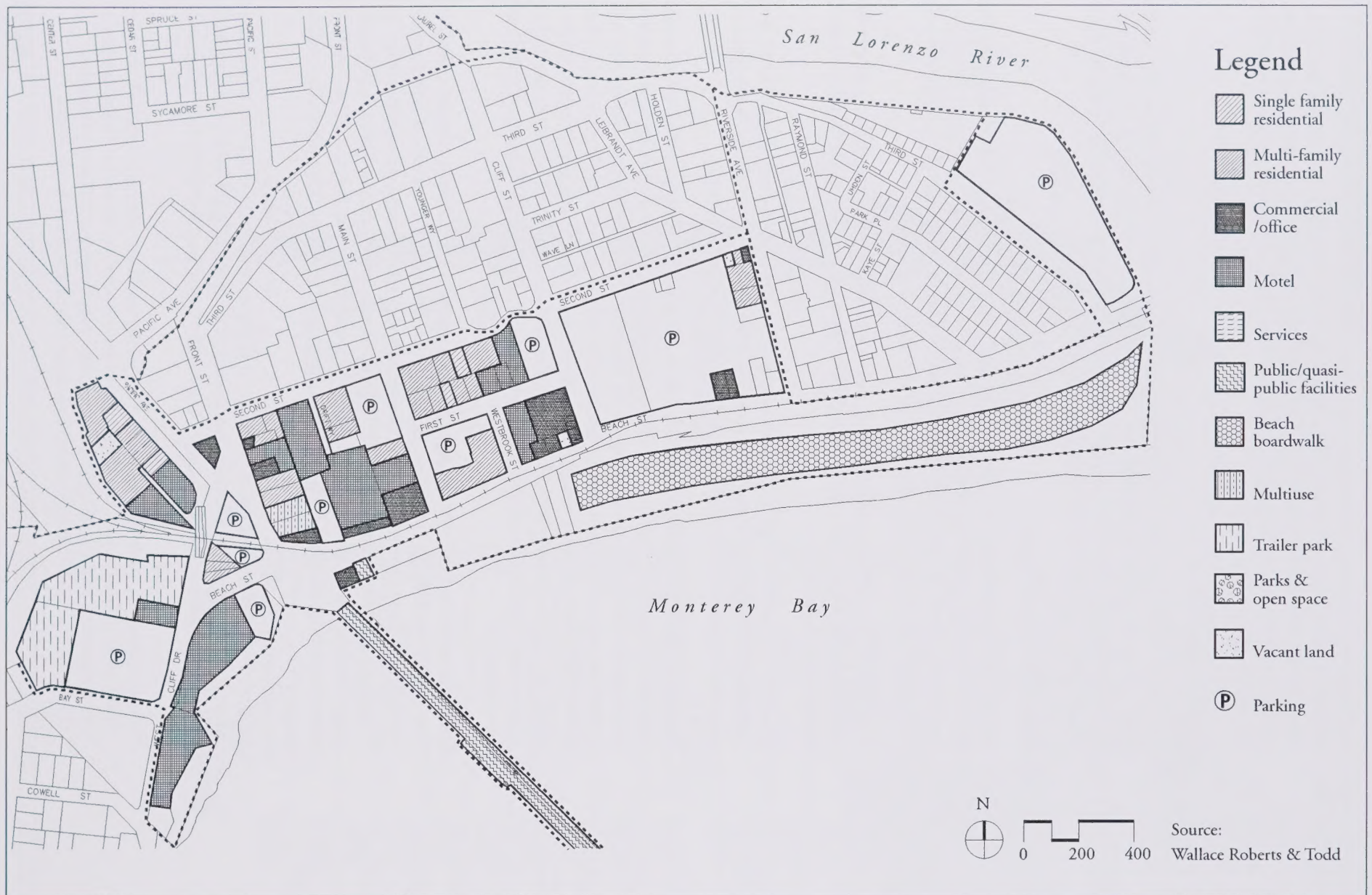
As early as 1980, the *Beach Area Plan* (p.63) cited the fact that many of these commercial structures in the Beach area are in relatively poor condition and "would benefit from thorough renovation." This current study supports that conclusion. Although during the past several years there have been a select number of facility upgrades in the Beach area less than 20% of the total inventory could be considered quality properties according to industry standards. Approximately 80% of the lodging facilities in the general Beach area are budget class or below, and the majority of these are non-brand lodging demonstrating only minimal investment.

In addition to issues of maintenance and management, there is also a two-tier system of functioning of motel properties in the Beach area. In general, the national brand motels and larger facilities function as true overnight lodgings with little extended stay activity. In many cases, however, the smaller 20 to 30 room motels, which are non-brand, individually owned facilities tend to convert to monthly rental facilities at the end of the summer season, accepting social services vouchers as payment, or providing fraternity and/or student lodging.

At issue with this second tier of function is the question of the evolution of transient overnight facilities into extended stay rental units which cannot meet minimum code standards for housing. Many cannot even meet the current requirement for SRO units in terms of

¹⁴ Marty Ackerman, Redevelopment Project Coordinator/Asset Manager compiled extensive background information on the Wharf. Danettee Schoemaker, Recreation Superintendent of the Department of Parks and Recreation provided wide-ranging advice and information.

¹⁵ City-wide, there are 77 hotel/motels which support recreational uses in the Beach.



“partial kitchens which must have at least two of the three appliances required for food preparation facilities.” [24.12.1022] This raises the questions of potential fire hazard, increased need for public services such as safety and trash collections, and lack of adequate parking.

An unintended consequence of this built-in market during the shoulder and off-season, is the lack of incentive to improve the competitive aspects of the property. Some of the smaller motel owners have indicated they would prefer not to accept winter tenants but do not know how to otherwise fill the vacancies. This emphasizes the importance of better management of tourism to benefit the City, its businesses and its residents. A carefully managed extension of the season in the Beach would begin to attract extended stay patrons, limiting the impact of the automobile and supporting year around retail in the area.

The cumulative effect of these differences is that a select number of properties in the Beach:

- are operating outside of what is considered to be normal industry standards,
- have an adverse impact on adjacent properties because of their uses and lack of maintenance,
- tend to be non-responsive to the competitive demands of the market, and
- may function primarily on a cash basis.

Additionally, these properties do not meet established City criteria for regulation either as transient lodging facilities or as rental units. Other issues relating to the lodging industry in the Beach area will be discussed in the chapter on economic development.

Retail Uses

Many of the facilities and small shops which line lower Pacific and the main oceanside boulevard of Beach Street reflect the long low profile of a motel style developed during the 1940s and 50s to serve a newly mobile automotive society.

The retail uses in these facilities tend to be both seasonal and small scale: Those fronting on Beach Street illustrate the seasonal nature of commerce in the area. They range from roller skate rental shops, to T-shirt, bathing suit and souvenir shops. In general, they tend to close with the end of the season.

Also along Beach Street between Front and Main Streets, which in real estate terms should represent prime commercial frontage, are individual motel garages, perhaps the least productive use of this prime location.

In total, the thirteen (13) retail shops, ten (10) restaurants and 1 bowling alley represent 55,000 square feet of commercial usage in the area. One of the central recommendations of this study will be to encourage the expansion of compatible, year-around retail as a component of an extended season.



Surface Parking Land Use

Over one-half of the land area in the Beach commercial district is surface parking. The two largest sources of public parking supply are in the private lots owned by the Seaside Company, known as the Main Beach lot and the River lot which provide approximately 2,038 paid parking spaces available for public use.¹⁶ The other significant aggregation of public parking is on the Wharf where 430 spaces are available.

Because this land use consumes so much of the Beach area, the recommendations in the transportation management section will deal directly with the necessity of placing appropriate emphasis on alternative modes of transportation, such as shuttle service, the potential for increased rail access, and intercept lots.

This study recognizes the important role which easily accessible parking plays in the Beach economy as well as in meeting Local Coastal goals for shoreline access. However, it also acknowledges that, in the future as the area redevelops, additional land uses should be incorporated into these areas which today serve only as parking sites for cars.

Residential Land Use

The Beach Commercial area contains a mix of residential housing types from seasonal apartment units in the La Bahia on Beach Street, to rooming houses and apartments along Front Street and along Second, to mobile homes in the mobile home park on Bay and West Cliff Drive. In general, the majority of the units are in good condition.

There are approximately 186 permanent residential units and 79 mobile homes that are occupied by approximately 568 residents, with an average household size of 2.2 residents per dwelling. The La Bahia has approximately 45 units which are alternatively rented to seasonal amusement park workers and university students.

In contrast to the Beach Flats, household size in the Beach Commercial area is considerably smaller and average household income is considerably higher. Residential units are primarily located off of Second Street. The units in the area tend to be small, with 80% having only 1 bedroom.

C. ZONING

There are four zoning categories in the Beach Commercial area. They are: CB, Beach Commercial; OFR, Ocean Front Recreational; RTB, Motel-Residential; and RTC, Beach Commercial. Zoning in this area was revised in 1975 in order to improve land uses and design characteristics.

CB: Beach Commercial

The **purpose** of the CB zone is provide for “commercial uses which are primarily coastal-dependent in nature and which serve tourists and visitors to the Santa Cruz coastal recreational areas.” [24.10.1100]



¹⁶ For a fuller discussion of parking supply and demand see, Fehr & Peers Associates, *Beach Area/ South of Laurel Master Plan*, April 15, 1997.

As illustrated by the following map, the CB zone is applied primarily to the regional recreational draws of the Wharf and the Boardwalk. However, it is also applied on the lower east side of Riverside Avenue, and the northern side of Beach Street between Riverside and Leibrandt. It includes a segment of the Beach Flats and the River parking lot as well

There are a wide variety of **permitted uses** allowed in this zone, many of which do not support the principal purpose of coastal-dependent activities. Among the permitted uses which are not consistent are: financial, insurance, real estate office; general merchandise (drug and department stores); and personal/professional services (except contractors yards and mortuaries). This study recommends that the language of this zone be reviewed and revised for appropriateness.

The major permitted uses are eating and drinking establishments, amusement park uses, museums and galleries and parking.

There are **two issues** with respect to the CB zone. The boundaries of the CB zone should more accurately reflect land use and the permitted uses should more accurately reflect the purpose. For that reason, slight boundary and language modifications will be proposed.

OFR: Ocean Front Recreational

The **purpose** of the OFR zone is “to ensure the protection of coastal resources and views; to provide public access and maintenance of public use; to assure that coastal development is consistent with the Coastal Land use Plan and General Plan; and to promote the safe occupancy and the reasonable use of lands subject to continuous erosion, such as coastal cliffs and beaches.” [24.10.1900] This section of the Zoning Ordinance is also part of the Local Coastal Implementation Plan. OFR is the zoning designation applied to the actual beach area.

The principal permitted uses are outdoor recreational activities and parking. No buildings are permitted by right. Signs, fish markets, navigational aids and rest room facilities are subject to an administrative use permit and a design permit.

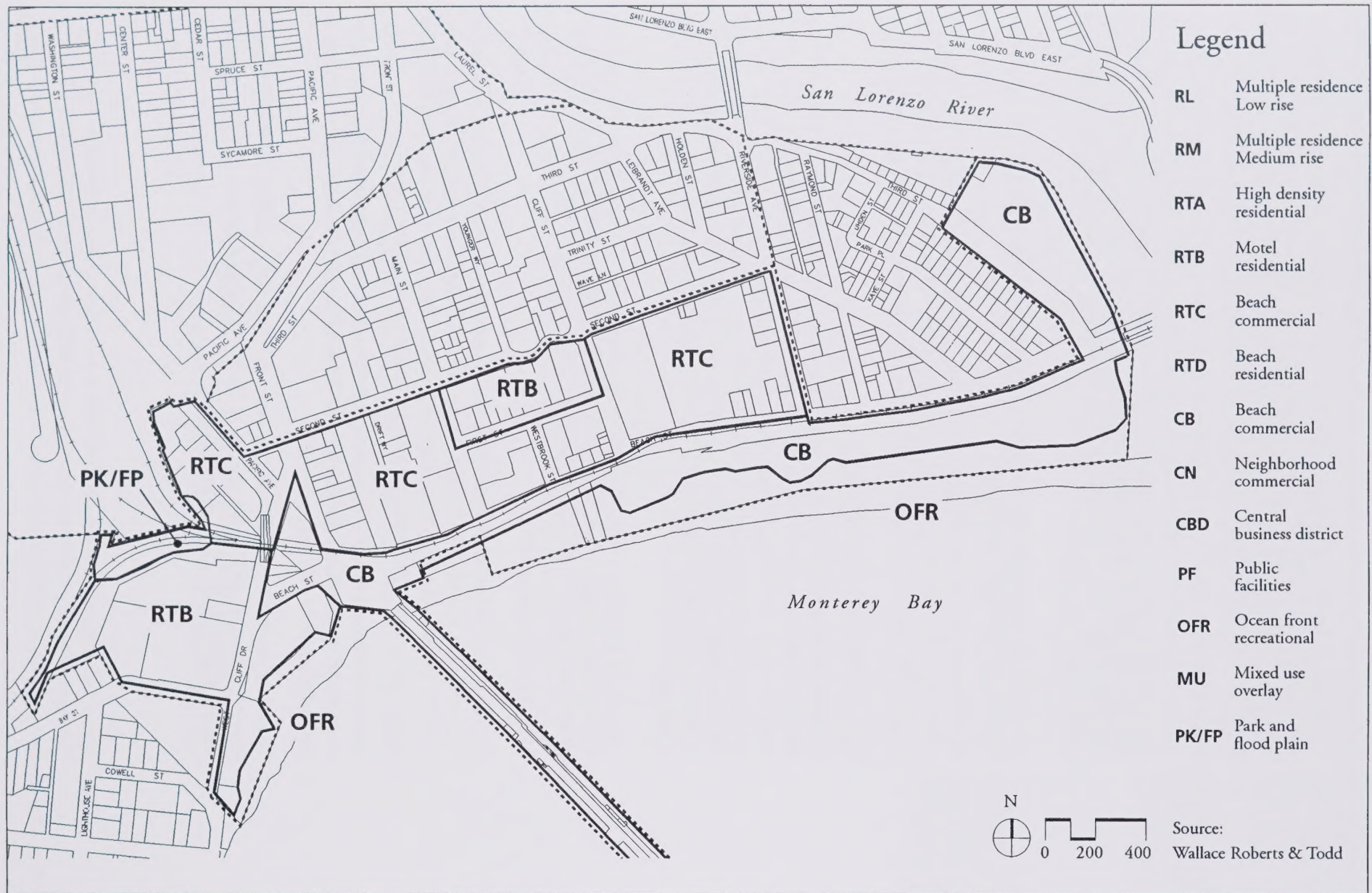
RTB: Motel-Residential¹⁷

There is a small section of the Beach Commercial area which has an RTB zoning designation. This enclave is bounded by Second, Main, First and Cliff Streets, where the majority of rooming houses and multiple dwellings are located. The **purpose** of this designation is to encourage a compatible mixture of permanent and visitor oriented uses.

Issues of maintenance and code compliance with regard to hotel/motel usage in this area should be addressed within the zoning code. A recommendation will be made to strengthen requirements under this zoning category.

There is a second area, which incorporates the West Coast Santa Cruz Hotel (former Dream Inn) and its parking lot, the Sea & Sand, and the mobile home park located at the western edge of the Beach Commercial area.

¹⁷ A full explanation of this zone is provided in the discussion on Beach Hill zoning.





One option for possible development: La Bahia Conference Hotel

RTC: Beach Commercial:

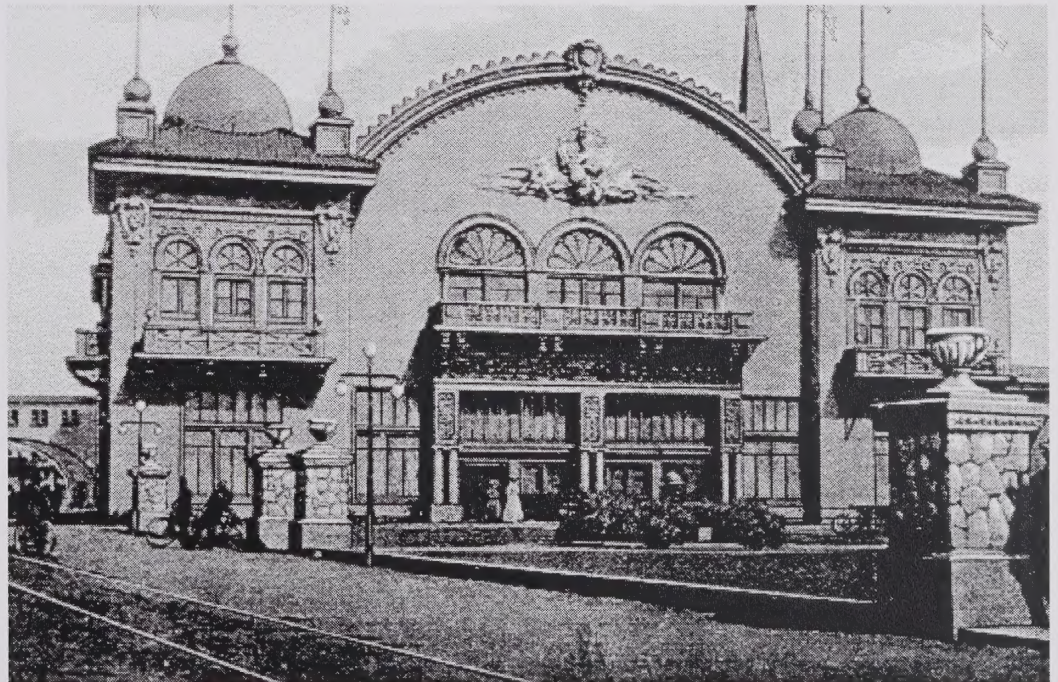
The principal zoning category in the Beach Commercial area is the RTC zone. The **purpose** of this zone is “to establish standard for development of residential uses mixed with neighborhood commercial, motel, and regional tourist commercial use.” Additional goals are “to improve existing uses and encourage new developments in a manner that maintains a harmonious balance between residential and regional commercial uses.” [24.10.618]

This zone covers the principal commercial, retail frontage of Beach Street and includes the overlook area where the Ramada Limited is located.

The principal permitted uses include all types of lodging facilities, food and beverage stores and smaller multiple-family units. Restaurants, offices, convenience and department stores, larger multi-family residential uses are subject to an administrative use permit. A special use permit is required for bars and taverns, nightclubs, fast food, group quarters and marine facilities. Maximum allowable height for 3 units or more is 35 feet.

The principal **zoning issue** related to the RTC is the inability to economically redevelop small lots and meet all current zoning requirements. The height ceiling of 35 feet, which is 20 feet lower than the surrounding zones of RTA and RTB, coupled with the requirement to provide parking on side and meet setback requirements, reflect the current rectangular, bulky low motel type construction with extensive visible parking lots adjacent to the street which characterizes the Beach today.

This neither meets the adopted goal of providing “a harmonious balance between residential and regional commercial uses,” nor the proposed goals of recapturing Santa Cruz’s historic ocean resort style which requires quality design, a breaking up of building and roof volumes, an integration between building and street, and the provision of parking either off-site or within/behind the building. For these reasons, changes will be proposed in the recommendation section. In addition, a slight boundary modification will be proposed.



VIII. BEACH COMMERCIAL: RECOMMENDATIONS



VIII. RECOMMENDATIONS: LAND USE & ZONING BEACH COMMERCIAL

A. OVERVIEW & PURPOSE

A revitalized Beach Commercial Area provides the City of Santa Cruz its greatest opportunity for expanding its economy. With the rebuilding of the Downtown almost complete, the City is able to turn its attention to actively encouraging investments in both buildings and businesses in the Beach area, providing for the long-term economic health of the City.

The goal of the following recommendations is to structure a balanced and bold investment strategy which will stimulate appropriate economic development resulting in improving the quality of life in the Beach; managing and expanding the operational season and providing employment opportunities; and developing linkages with the Downtown.

The objectives of this strategy are to recapture Santa Cruz's unique historic Ocean Resort style by stimulating significant upgrading and redevelopment of the older lodging facilities; attracting private development of a quality conference hotel; analyzing the retail/maritime potential of the historic Wharf; expanding the educational opportunities of the Monterey Bay National Marine Sanctuary; developing a comprehensive marketing approach which incorporates an heritage tourism component; providing a program of stimulus and constraints; and creating jobs.

These objectives are to be accomplished by providing significant opportunities for redevelopment of underutilized land which will provide attractive retail, entertainment, lodging and support uses that will appropriately extend the operational activities of the Beach. Projects will be designed to enhance street life and reflect unique design themes of the area. The area will be attractive to locals and tourists and will draw people to the area for a variety of essential retail services and provide unique activities for twelve months of the year. The atmosphere and compact pattern of development will encourage people to park their cars and walk or take unique forms of transportation that link the area with other attractive sites downtown.

B. PLANNING POLICY & GOALS

There is a clear need to change the investment climate in the Beach area. The City has recognized this need, and through an extensive series of studies and reports¹ has identified increasing areas of agreement on issues of concern to the Beach and South of Laurel communities.

The basic policy direction for the Beach area is contained in the *City of Santa Cruz General Plan and Local Coastal Program: 1990-2005*, Vol. I and Vol. II, p.3-21. The *General Plan* land use designation for the Beach Commercial area is RVC, regional visitor commercial and CR, coastal recreation for sand beach coastline. [See following map] The regional

¹ Among them are: *The Beach Area Plan*, (1980); "Beach Area Outlook Conference"; "Beach Area/South of Laurel Process and Opportunities"; "Beach Area Chautauqua Questionnaire"; *The Beach Area Plan Strategy*, and *The South of Laurel Plan Strategy*.

visitor commercial designation primarily emphasizes the development of visitor serving uses such as hotels, motels, restaurants, amusements and also allows for the development of mixed-use and residential areas. Coastal recreation designates areas for such activities as swimming, boating, fishing, surfing, picnicking and parking.²

The Beach Area Plan Strategy, adopted in 1996, continued this established policy direction and synthesized the three major goals as:

- (1) improving the quality of life in the Beach,
- (2) expanding the operational season of the Beach, and
- (3) developing linkages with the Downtown.

The purpose of this planning process is to begin to translate these policy statements into specific recommendations and programs which —when adopted — the City of Santa Cruz can implement within a time certain.

1. Planning Approach & Assumption

The planning approach this study has adopted is one of explicitly acknowledging that the **health of the commercial area is directly linked to the health of the neighborhoods**. Sound investment — as opposed to speculation — cannot be attracted to a commercial area if quality investment is lacking in the neighborhoods.

Therefore a central premise of this approach is that a balanced investment strategy for the Beach area cannot be achieved unless and until there is a significant catalyst for positive change in the Beach Flats neighborhood.

2. Goal for the Beach Commercial Area

The goal of this planning approach in the Beach Commercial area is to **structure a balanced and bold investment and management strategy which revitalizes and protects neighborhood integrity while stimulating appropriate economic development**, through which neighborhoods may be stabilized through job expansion, improved infrastructure and community facilities.

C. RECOMMENDATIONS

1. Major Conference Facility

Background

The City of Santa Cruz has the opportunity to magnify and expand the economic vitality of the downtown by transforming Beach Street into a “signature street” which will complement and complete the revitalized Pacific Avenue shopping District. The concept of linkage between the two areas is a cornerstone of all planning efforts to date.

Since the early 1990s, the City in a series of planning outreach efforts, has responded to the business and residential communities’ desire to encourage an intensification of tourist oriented development that promotes year round activities in the Beach area.³

² Vol. I, p.138-9.

³ “Beach Area Outlook Conference”; *Beach Area Plan Strategy*.



Figure 34

General Plan 2005 Land Use Designations

The proposal for a major conference facility in the Beach area would act as such a stimulus, extending the operational season in the Beach, attracting quality investment, establishing Beach Street as a signature street, and providing additional employment and tax revenues.

Market Support for a Major Conference Facility

Since 1992, two separate market studies have indicated market support for a major conference facility located on the beach front in Santa Cruz.⁴ The most recent report, prepared by Scott Hospitality Consultants (1995), found there was strength in the Santa Cruz lodging market — a fact which was verified during the course of this planning effort.⁵

The results of the Scott's Hospitality Consultants' analysis recommended:

- a 275-325 room hotel with 15,000 square feet of meeting space,
- access to the 21,000+ square feet of space in the Cocoanut Grove,
- oversized guest rooms oriented toward the ocean and coastline views,
- a full service restaurant and lounge,
- a business center,
- a fitness center, and
- an outdoor swimming pool with spa and deck area.

Parking should be provided either on-site or in a near by location.

La Bahia as Site for Major Conference Facility

In 1994-5, two sites were analyzed for suitability in meeting the criteria — the West Coast Santa Cruz Hotel (Dream Inn) parking lot site, and the La Bahia. *The Beach Area Plan Strategy* identified the **La Bahia** as having the best potential to “serve as the main catalyst for future beach improvements. Unparalleled views and location suit this site well for development of the premier conference hotel facility in the beach area” (p.19).

The Council adopted the *Plan Strategy* in June, 1996. Based on this action, two possible development scenarios on the La Bahia site were examined:

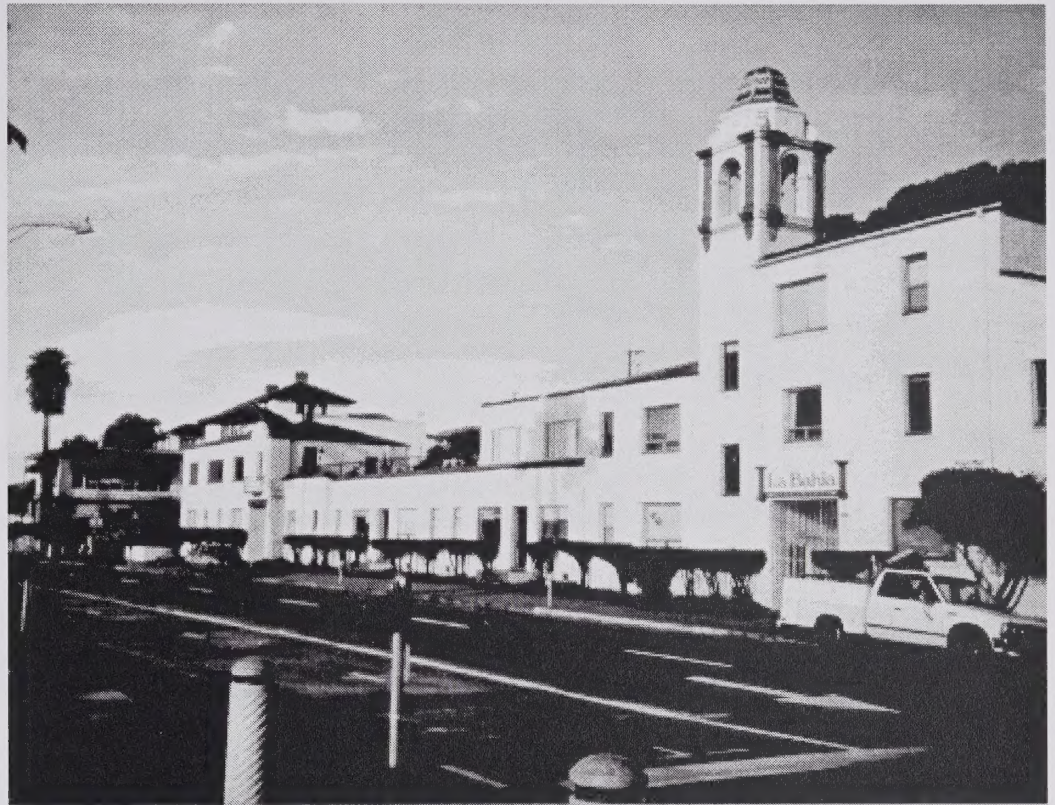
- Alternative #1 of approximately 300 rooms which would entail site consolidation including the abandonment of Westbrook Street and the purchase of the Seaside Lodge, (approximately 90,767 total sf), or
- Alternative #2 of approximately 120-200 rooms on the existing La Bahia site, (60,652 sf).

In January, 1997, the Council endorsed the concept of Alternative #1,⁶ and noted that any proposed conference facility needed to incorporate all the amenities necessary to be fully

⁴ Keyser Marston Associates, Inc. (1992); Scott Hospitality Consultants et al, *Market and Financial Feasibility Analysis for a Hotel/Conference Center at the Boardwalk*, (1995)

⁵ See discussion on lodging industry in the Chapter on Economic Development.

⁶ The Phipps Group, “A Decision Memo”, (Jan.31, 1997), p.51-55.



competitive within the region. Additionally, they endorsed the concept of linking public actions and public expenditures with the following **clear and compelling public benefits**:

- create full time jobs for local residents,
- provide year round support for existing businesses along Beach Street and the Wharf,
- preserve the historic Cocoanut Grove by integrating the operation and scheduling of meetings and dining into the existing vacant space,
- add economic life to the historic structures of the Boardwalk,
- attract additional quality investment to the area in both the commercial and residential communities,
- act as a major catalyst for future beach improvements,
- provide major public space both inside/outside the facility,
- provide public meeting space for such functions as proms, dinners and community meetings,
- expand the operational season of the Beach.

The Council further directed that an historic preservation firm should be retained to identify the La Bahia's primary architectural elements which would need to be incorporated into a major conference facility on the site.

Architectural and Development Analysis of La Bahia⁷

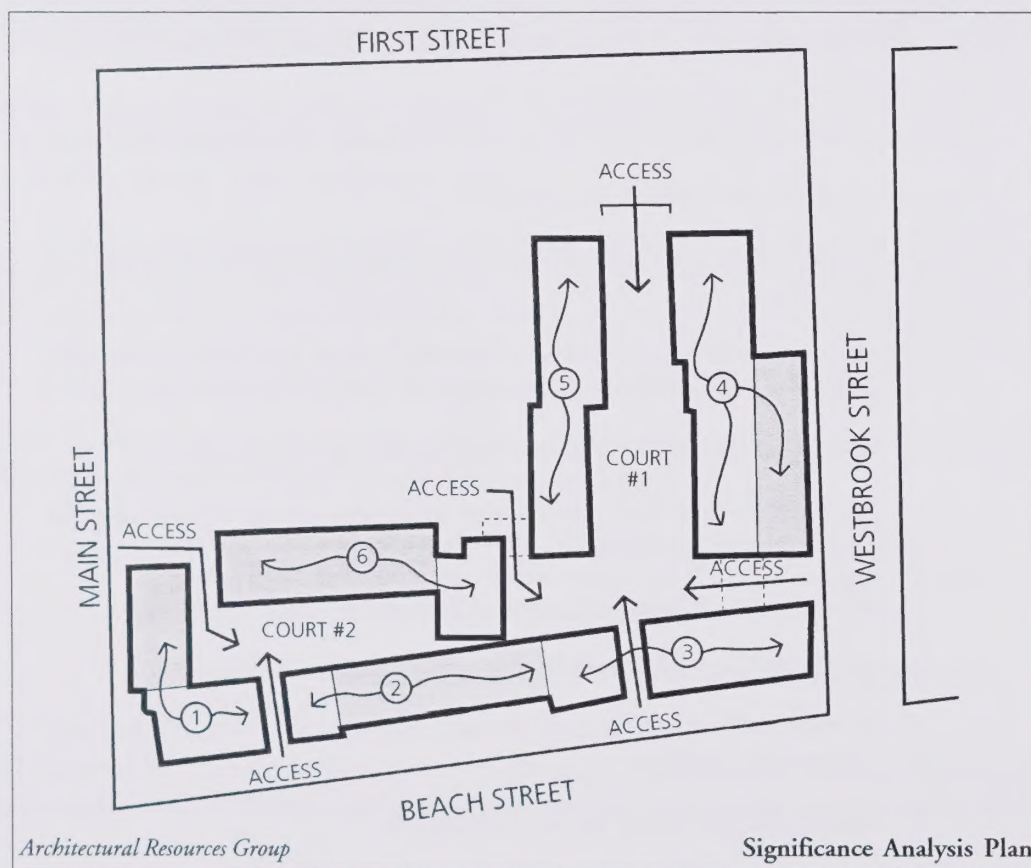
Architectural Analysis

In September, 1997, findings of the architectural and development analysis were presented. The report found that:

“The major contributing elements include the buildings on the south Beach Street elevation (Block Numbers 1,2,& 3), Courtyard Number #1 & 2, the building elevations encompassing Courtyards Number 1 & 2, the passages into the courtyards, as well as the scale, massing, character and detail of all the buildings.”

Courtyard # 1 was found to be a major contributing element to the character and significance of the complex, and should be maintained. Courtyard #2 is nearly as significant as Courtyard #1, but could possibly be modified or replicated without destroying the character of the entire complex.

The report concluded: “In summary, the buildings along the south elevation, the courtyards, the building elevations surrounding the courtyards, the passages into the courts, as well as the scale, massing and buildings’ details are all character-defining elements that contribute to the significance of the La Bahia complex.” (p.5-6).



⁷ *La Bahia Apartments, Santa Cruz, California*, "Architectural and Developmental Analysis," (Sept., 1997), Architectural Resources Group. This study was part of a larger report, "City of Santa Cruz Design Analysis". (Sept, 1997).

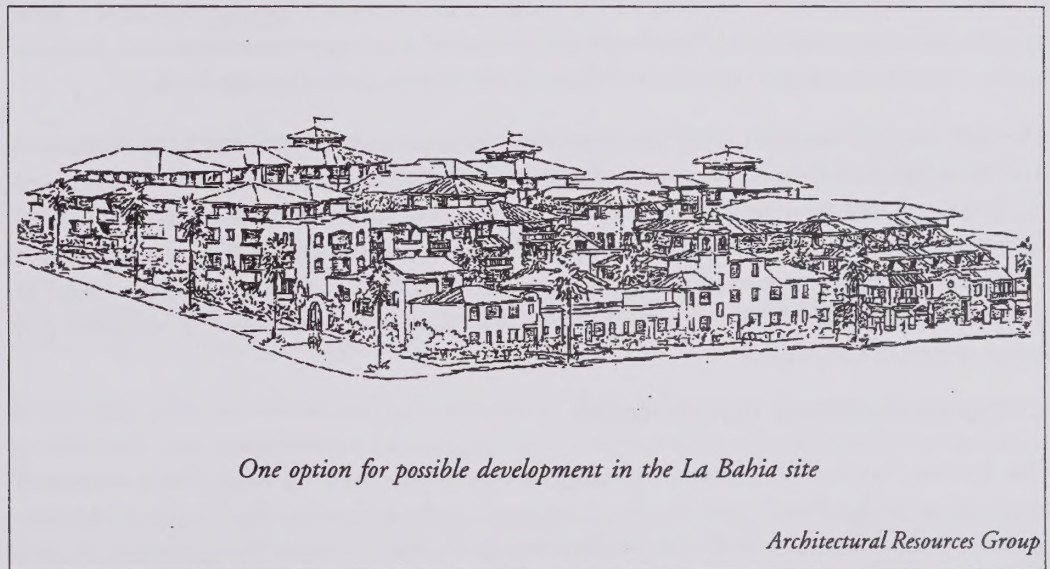
Development Analysis

The development analysis found that it was possible to develop a 300 room hotel on the expanded La Bahia site — that is consolidating Westbrook and the Seaside Lodge into the parcel. It also found that due to the current height limitation of 35 feet, that such a development under existing requirements might prove to be bulky and unattractive.

For new development to be compatible with the existing features of La Bahia, there was a need to break up the building mass, add recesses and projections, create new courtyards, keep the appearance of similar window forms, and provide a variety of roof articulations. To accomplish these architectural requirements, either the number of rooms would have to be reduced or flexibility in height would need to be permitted.

With an additional floor, and architectural elements such as turrets, towers, etc. allowed to extend above the floor to break up the mass, a possible development could look like the following illustration.

For purposes of architectural analysis, it was assumed that the majority of the parking will be accommodated off-site and that a valet parking program will be developed to serve the hotel. This could change according to final design. Possible locations for parking include the Main Beach lot, the Surf Bowl site, and possibly the Depot site.



One option for possible development in the La Bahia site

Architectural Resources Group

The Phipps Group

City of Santa Cruz - Beach/South of Laurel Area Plan

Figure 35

Recommendation: Develop La Bahia as Hotel Conference Facility

This study recommends development of the La Bahia as a quality 250-275 room hotel conference facility, retaining the architectural “character defining elements” identified in the Architectural Resources Group study and incorporating the amenities necessary to be competitive regionally. The City should negotiate a development agreement which provides for specific public benefits outlined above. In addition, this agreement should detail any on-site parking provisions and incorporate lease or purchase arrangements for any off-site parking.

In adopting this plan, the City Council stipulated that the developer should be required to work with a historic preservationist retained by the City in meeting the proposed Design Guidelines to ensure compatibility of scale and architectural style and be required to conform to the City's design review process.

2. Entertainment/Amusement Park Upgrade

The Santa Cruz Boardwalk is the oldest surviving Pacific Coast Amusement Park in America. Central to Santa Cruz's past, it is a key component to the future of this area. It acts as the economic engine which drives the Beach economy and is central to the health and vitality of the City's visitor serving industry. It provides part-time and full-time employment, frequently providing the youth of Santa Cruz their first job experience.

A report on Pacific Ocean Parks⁸ concluded that the inability to meet changing market demands was instrumental in the failure of the other Pacific Ocean Parks. With regard to the Santa Cruz Boardwalk, it stated:

"It's my solid opinion that the future of the Santa Cruz Beach Boardwalk depends upon incremental and appropriate growth in relation to its industry. No amusement park, however charming, can sit inside a glass bottle as a glorious tribute to the past." (p.28)

An earlier planning effort, the Beach Area Outlook Conference (1994), recognized a need for potential expansion of the Boardwalk and indicated that improvements should focus on family entertainment and education with emphasis on Marine Sanctuary themes.

The City Council has determined that expansion of the amusement park should be eliminated from this Plan and that consideration of any such expansion in the future would involve a community-based planning process with its own initial studies or similar environmental documents to determine whether the certified final Environmental Impact Report (EIR) remains legally adequate for purposes of action on such a project. An amendment to the *Beach and South of Laurel Comprehensive Area Plan* will be required to consider any future action of this nature.

3. City Of Santa Cruz Historic Wharf

The historic Santa Cruz Wharf is among the key assets the City owns. It is of central importance to the Beach area, to the City, and to the Monterey Bay National Marine Sanctuary. As the earlier discussion in the existing conditions report documented, in spite of recent improvement in the economy and in Wharf management, rental income and sales have remained essentially flat during the past six years.

Recommendation: Comprehensive Analysis of the Wharf

This study recommends that the City carry out a comprehensive analysis of the Wharf which would include study of its two fundamental and interrelated aspects: its maritime aspect and its retail aspect. Elements of this study should include, but not be limited to:

- assessment of the physical inventory,
- assessment of access, circulation and parking,
- assessment of additional maritime potential,
- assessment of marine sanctuary potential,

⁸ G. Kyriazi, *The Pacific Coast Amusement Parks: A study of Their Past, Present, and Future*, (undated).

- assessment of design and architectural character,
- assessment of signature physical features or programs,
- assessment of retail mix and performance,
- assessment of market niche, and a cost/benefit analysis of recommendations stemming from analysis.

In addition, the study should examine the feasibility of:

- Expanding Maritime Activity
 - encourage arrival by boat - expanded lower dock
 - pursue mooring program
 - encourage water taxi and look for tie-ins
 - examine feasibility of seal viewing programs
 - examine potential for companion marine discovery center
- Expanding Visitor Amenities
 - signage program on wharf and at entry
 - encourage pedicab connection
 - additional interim design improvements [problem w/birds]
 - add street activity - street performers or more “working waterfront aspects”
- Expanding Local Resident Marketing
 - by tying into existing events such as Wednesday evening sail boat races, expanding outdoor music programs, and Boardwalk discounts.
 - Expansion of programming by Parks and Recreation and examine feasibility of additional naturalist/interpretive opportunities.

The General Plan, II, ASP-6 “Wharf Design Criteria” will remain in force until the results of the proposed study are approved.

In keeping with its unique and historic role in the evolution of this area, this study also recommends that consideration be given to modifying the name of the Wharf from Municipal Wharf — which could be anywhere — to the **Santa Cruz Wharf**.



4. Commercial Redevelopment: Beach Gateway

The intersection of Pacific at Beach Street represents in commercial real estate terms the 100% , or the most valuable corner of the Beach area. It is currently an unattractive and confusing intersection,⁹ characterized by cars and concrete. It lacks distinction as a gateway, and the majority of land uses are parking lots, and small scale, seasonal retail/motel uses.

This intersection should function as a key gateway for defining the visitors' entrance to the Beach area. It has the potential to redevelop as an expanded and elegant hotel and restaurant district, forming a crucial link between the Beach, the Wharf and the Downtown. Encouraging the development of new facilities in this area will create a premier gateway to the Monterey Bay.

Such a redevelopment could produce an inviting and attractive gateway such as is illustrated below.

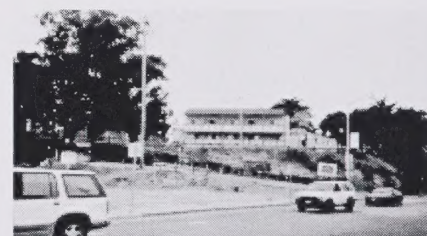


Development of vacant and underutilized sites gives strong definition to the Beach Gateway.

The chapter on urban design will discuss the architectural and design elements of this proposal in detail. It is only necessary to mention here that gateway development such as this might entail redevelopment of the Ramada Inn site as either a quality mixed use development which could incorporate both extended stay lodging facilities and residential units, or as an alternative site for a conference hotel facility. Its location on this high overlook provides views both toward the Ocean and the mountains, and the proposed future development of public parking and transit on the adjacent Depot site adds to its development potential. There are currently nine residential units adjacent to the Ramada Inn.



Existing view of Beach Gateway looking toward Downtown.



⁹ The circulation aspects of this intersection are dealt with in the transportation discussion.

The potential redevelopment of the corner of Beach and Front Streets with an attractive multi-story commercial building would anchor the gateway and could provide restaurant and entertainment facilities, offices or residential units. Located at the heart of the Beach Commercial district, this prominent site can provide unparalleled views of the Bay. Redevelopment would remove seventeen existing residential units.

Recommendation: Encourage Redevelopment of Beach Gateway

Because of the critical visual, economic and transportation importance of this intersection, this study recommends that the City actively encourage the redevelopment of this area by:

- implementing the proposed transportation recommendations regarding circulation improvements and traffic circles,
- adopting Beach Commercial District Overlay zone which affords flexibility in site development,
- establishing an active partnership with property owners, informing them of proposed changes and how they can benefit from them,
- working with the lending community to direct lending commitments to the Beach Commercial Area and the Beach Flats by formally designating area a “Revitalization District” which requires Community Reinvestment Act lending participation by local banks, and establish loan pool for commercial and residential projects,
- identifying appropriate funding mechanisms such as Business Improvement Districts, Parking Assessment Districts, or other funding approaches to facilitate implementation, and
- acquiring Depot site as component of comprehensive parking strategy.

5. Potential Development: Main Beach Parking Lot

The Main Beach Parking lot, once the site of the colorful “tent city” and later the grand Spanish Revival style Casa del Rey resort hotel and gardens, now serves as the primary parking resource for the Beach area, providing almost 1,000 spaces.¹⁰ There are still remnants of earlier residential use on the site in the small units located on Riverside. There are a total of eighteen occupied units, ten of which are listed on the historic survey.

With the revitalization of the Beach area, implementation of the neighborhood conservation measures in the Beach Flats, and the development of a quality conference hotel facility at the La Bahia, there is an opportunity to consider development of a retail/entertainment/parking facility on the Main Lot. This planning effort examined the potential for a maximum of 125,000 square feet of specialty retail, and entertainment/ performing arts in conjunction with a 942 space parking garage on the site.

Such a facility could serve as both an important link as well as a buffer between commercial and residential uses. In addition to providing well located speciality boutique retail space and cultural opportunities, this facility could provide organized and invisible parking, recreating an important street frontage and maximizing the economic value of the land.

¹⁰ There are 980 spaces.

The timing of major investments is often a key to their success. With regard to construction of a structured parking facility, as the discussion on transportation will amply demonstrate, there is currently pent-up demand for paid, close-in and convenient parking during the season. Thus, in terms of financing such a facility, the question will not be one of demand but rather if income earned during the season can finance annual costs, and secondly, how to replace lost parking spaces and lost income during construction.

The second issue regarding the viability of retail is tied to timing. Assuming the successful development of a quality conference hotel facility on the La Bahia site, and assuming the successful implementation of neighborhood conservation strategies and the development of new housing in the Beach Flats, then market response to an attractive retail facility on this site can be anticipated to be strong. This also assumes a strong marketing program designed to attract increasing local patronage of the Beach area both during and off season. Incorporation of performing arts space can assist in attracting strong local patronage, if such a facility is economically viable.

Any development on this site shall include a public process that incorporates substantial input before it proceeds. The City Council has recommended that a community-based planning process should determine the ultimate development parameters for this site. The Council further directed that a specific overlay zone be created for the Main Beach Lot which will provide performance criteria and standards to govern development on this site in a manner that is less intensive than 125,000 square feet of commercial space. Any proposal for development of the site will require preparation of initial studies or similar environmental documents to determine whether the certified Final EIR remains legally adequate for purposes of action on the proposal or if a new EIR is required.

6. General Recommendations: Beach Commercial Development

Design Guidelines and Development Agreements should be required of all commercial development in the Beach Area.

Require Design Guidelines for Development

This study recommends that the City adopt the proposed Design Guidelines for Beach Commercial which require both provision for retail frontage and landscaping be incorporated within any parking structure.

Require Development Agreements to Ensure Public Benefits

This study recommends that development agreements be negotiated which link private and public infrastructure improvements, phasing, design standards, mix of uses and time frames. These agreements should also address alternative transportation modes, circulation and parking impacts in a manner which mitigates peak period impacts. This recommendation applies equally to all future large Beach Area projects which entail public funding or support.

The City Council has directed that, prior to undertaking any major commercial project, the City proceed with an appropriate benefit assessment/evaluation and negotiate a development agreement with owners/developers which clearly identifies participation and public benefits from among the following:

- participation in the development of affordable housing,

- contribution and/or cost-sharing for shuttle and/or parking on the Depot site,
- levee beautification and planting,
- landscaping of all entertainment park facilities consistent with Design Guidelines,
- Landscaping along the Third Street corridor,
- provisions for a two-way bike path connection on park property from Trestle Bridge to Riverside Avenue to tie in with the proposed dedicated bikeways on Beach Street and the San Lorenzo Trestle Bridge.
- allow for potential permanent public rail stop within the entertainment park area,
- permission to use the triangular lot adjacent to the river near Riverside Avenue as an active use recreation area in the off-season,
- well landscaped parking lots that are well maintained in accordance with Design Guidelines, and
- with reference to the conference hotel on the La Bahia site, public benefits are to include, at a minimum, union/prevaling wage jobs and local Beach Flats area hiring.

7. West Coast Santa Cruz Hotel (Dream Inn) Parking Lot

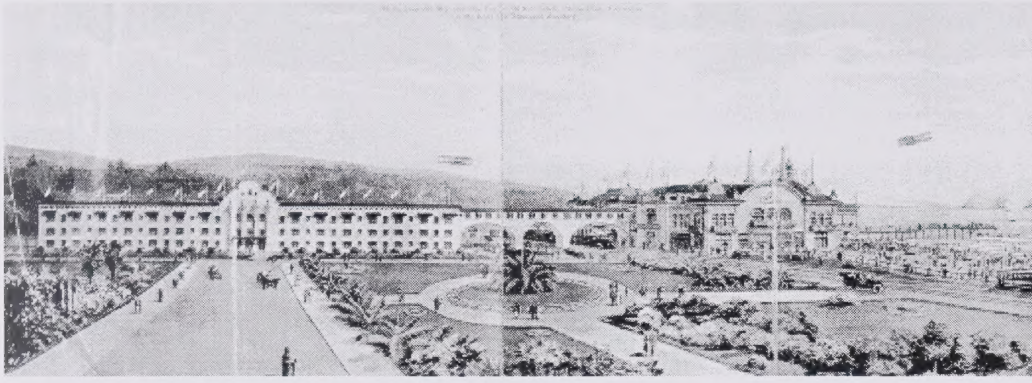
The two acre West Coast Santa Cruz Hotel parking lot, located at the southwestern boundary of the study area, is at the intersection of Bay Street and West Cliff Drive. It currently serves overflow parking for the hotel and provides seasonal shuttle service for employees of the Wharf.

This site holds the opportunity for potential future residential development. The City Council recommended that an overlay zone be established on the West Coast Santa Cruz Hotel parking lot site where the RTB zone will be modified to preclude future hotel or motel development.

A summary of the development potential in the Beach Commercial Area is listed in Appendix A.

8. Beach Commercial Design Guidelines

Historically, the Beach Commercial area was marked by buildings of grandeur and scale. The Sea Beach Hotel and the magnificent Casa del Rey Resort Hotel were two outstanding examples. The construction of the Boardwalk also dates from that era. Remnants of the past seaside resort grandeur are still evident in the core of the area, between Second Street and the amusement park, where historic Spanish Colonial Revival style buildings closely mingle with simple block style commercial buildings and motels. Other examples of this past grandeur are the large scale Victorian style seaside residences still evident in surrounding Beach Hill and West Cliff.



Recommendation: Adopt Beach Commercial Design Guidelines

This study recommends that future development in the Beach Commercial Area be subject to stringent design standards and design review as a prerequisite for a building permit, and that design guidelines be adopted which seek to recapture the historic Ocean Resort style characterized by:

- building articulation and breaking up of building mass into smaller units,
- Spanish Colonial Revival or Victorian styles,
- roof articulation consistent with architectural style,
- terracing to follow topography,
- encouragement of balconies, terraces, courtyards and plazas,
- pedestrian access from main streets,
- placement of parking, within, behind or off-site, and
- encouragement of architectural elements in buildings and roof design.

Due to the historic nature of the Boardwalk, which reflects an eclectic variety of styles from Moorish, Fantasy Victorian, Art Deco to Moderne, these more uniform guidelines should not apply to the existing facilities.

9. Beach Commercial District Overlay Zone

The principal core of the Beach Commercial District is zoned RTC, with a maximum allowable height of 35 feet. This height ceiling is 20 feet lower than the surrounding zones of RTA and RTC, and that fact coupled with the current requirement to provide parking on site and meet setback requirements result in the current rectangular, bulky, low motel type construction with extensive, visible parking lots adjacent to the street which characterizes the Beach today.

The principal issue related to RTC is the inability to economically redevelop small lots and meet all current zoning requirements. In order to begin to encourage quality architecture and development, flexibility is needed.

Currently, large lot development, that is those parcels of 20,000 sf or greater may apply for variation in zoning requirements through the Planned Development Permit



process[24.08.700], which allows for variations in height, building setbacks, lot coverage, parking space, etc.

At issue is the desire to stimulate the redevelopment of an attractive streetscape in the Beach area, providing building profiles which are in harmonious relationship to each other and to the street. Under current regulations, this is not possible because distinctly different site criteria are required of small as opposed to larger lots.

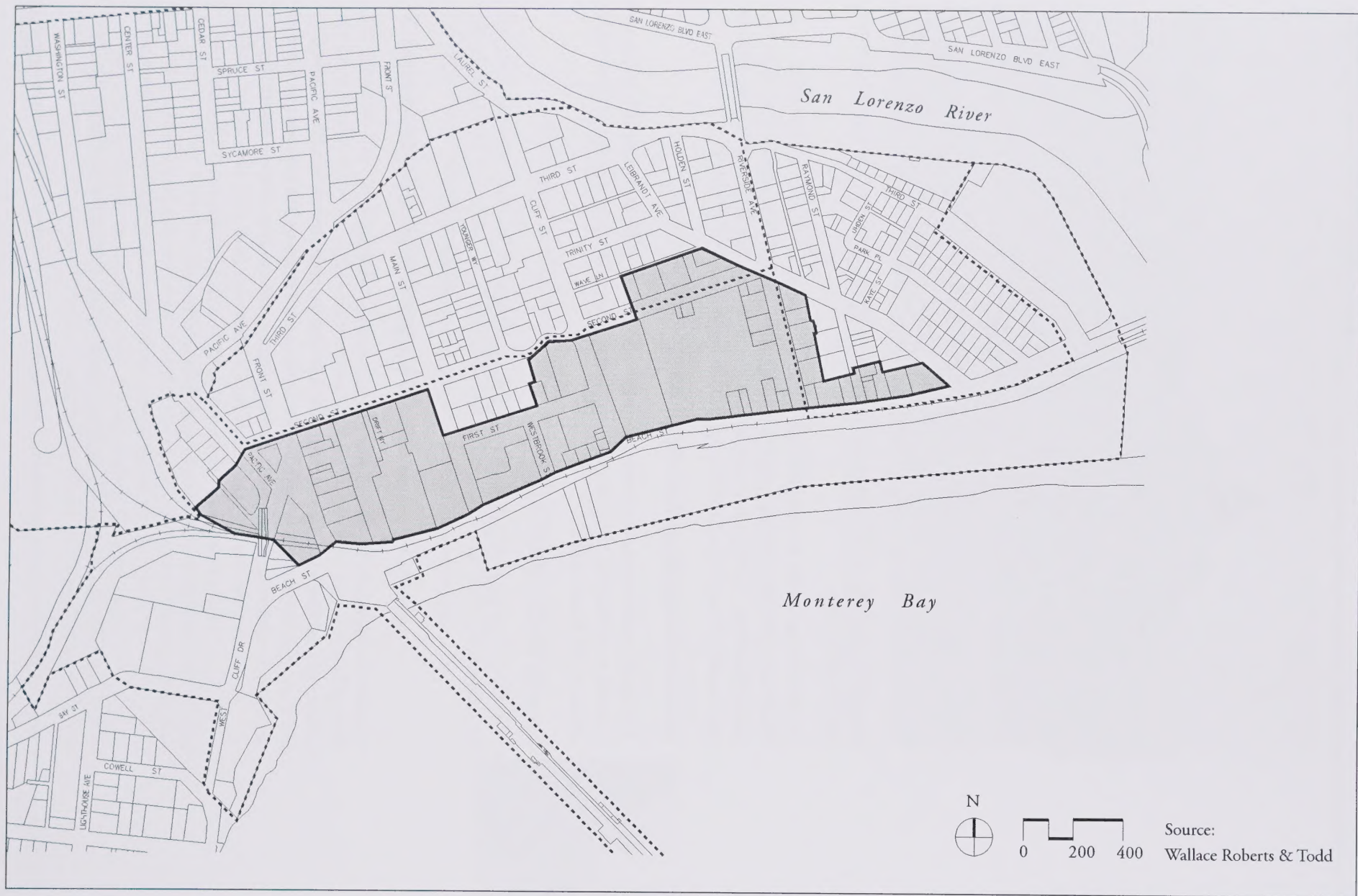
Recommendation: Adopt “Beach District Overlay Zone”

This study recommends the development and adoption of a “Beach District Overlay Zone in order to accomplish the goals of stimulating economic development in a manner which enhances the Beach area.

Proposed elements of the zone include:

- all projects subject to Design Permit review,
- requirement to meet landscaping and design standards,
- requirement to meet primary Beach goals of promoting quality facilities,
- specialty shops and year around activities, creating jobs
- permit height flexibility for smaller lots [similar to existing Planned Development flexibility for larger lots] if proposed improvements meet primary Beach goals & design requirements. This change would allow smaller lots to also qualify for an additional floor [10'] over existing 35' height limitation - [for a total of 45'] - with an additional 3' allowance for mechanical structures which must be screened.
- in order to encourage quality architectural design, allow architectural elements such as bell towers, spires, turrets, to extend above height limitation. These architectural elements would be subject to Design Permit review.





- permit project to off-set on-site parking requirements through payment of annual deficiency fee and/ or through funding of shuttle service or other options¹¹ provided in the comprehensive transportation strategy. Proposed Design Guidelines and Standards require all on-site parking be located within or behind developments.

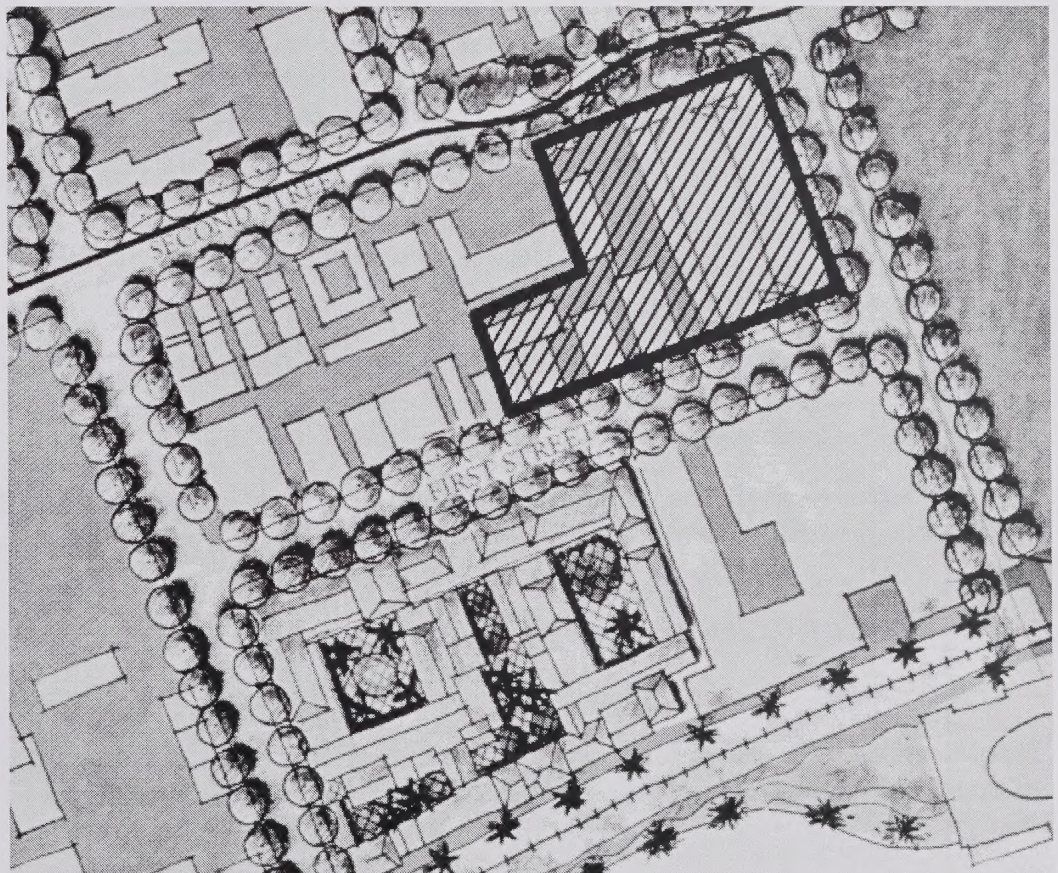
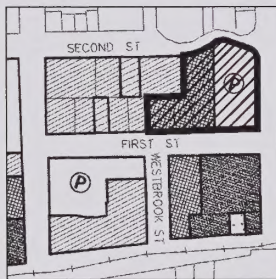
The requirement for Design Review applies to all expansions over 15%. A pre-application process will enable the City to work with the private sector in achieving design goals.

10. Rezone Lower First Street to RTC

The north side of lower First Street between Westbrook and Cliff is currently developed with a poorly maintained 34 room motel, a former motel with six multi-family units, one bed and breakfast, and 75 surface parking spaces of the Surf Bowl parking lot.

This planning effort offers the opportunity to significantly upgrade this area and integrate it more fully into the future activities of a revitalized Beach Commercial area.

The Surf Bowl parking lot along Cliff Street at the intersection of First has a variety of development options available. Final development decision may rest on how the hotel conference facility chooses to handle any off-site parking requirements. Because of its proximity to the proposed hotel development, the Surf Bowl site may be chosen for the construction of a possible 3 story, 175 space parking structure.



¹¹ This study agrees with the assessment of the staffs of Redevelopment Agency and the Department of Public Works that current conditions do not support the application of a parking district in the Beach area. However, as the area redevelops, this assessment should be revisited.

However, because of this site's potential to create an effective linkage between the pedestrian shopping activity proposed for the Main Beach lot and the hotel conference facility, it could also be developed as a mixed-use retail/restaurant/entertainment or residential facility.

Such a commercial development, appropriately designed, could help transform lower First Street between Westbrook and Cliff into a charming strolling environment, providing attractive pedestrian access to both the Main lot and the hotel.

Rezone from RTB to RTC

For that reason, this study recommends rezoning the four parcels between Westbrook and Cliff on the north side of First Street from RTB - Motel-Residential to RTC - Beach Commercial to provide the flexibility for responding to market opportunities for providing visitor support facilities.

A rezoning to RTC would provide an opportunity for this area to act as a crucial linkage between the two major development proposals of this plan, respond to market based investment decisions, and might encourage the upgrading of the existing low-end motel facilities. The *General Plan* would need to modify the current land use designation from medium density residential to visitor-serving. [See following map]

Place within Beach District Overlay Zone

In order to ensure that any development which occurs on these parcels contributes to the overall architectural quality and economic vitality of the Beach Area, and acts as a compatible boundary to Beach Hill which it would anchor, this study recommends that the rezoned parcels also be placed within the proposed Beach District Overlay Zone.

This action would require that all projects be subject to design review, meet landscaping and development standards, and incorporate uses which help achieve the primary Beach goals.

11. Zoning In The Beach Commercial Area

There are four zoning categories in the Beach Commercial Area. They are: OFR, Ocean Front Commercial; CB, Beach Commercial (Ocean Dependent); RTB, Motel-Residential; and RTC, Beach Commercial.

This study recommends no change in either the text or the existing boundaries of the OFR zone. It does, however, make the following recommendations regarding the other three zones.

Recommendation: RTC Zone

Add Requirements:

In order to address the management, appearance and functioning of the lodging industry facilities¹² which lie within the RTC Zone, this study recommends modifying the zone to:

- require conformance with Design Guidelines,

¹² Lodging Industry issues are examined in detail in the chapter on economic development.

- permit flexible development standards for those RTC parcels which fall within the Beach Commercial District Overlay Zone,
- require annual licensing renewal for all lodging facilities
- permit temporary uses, subject to administrative review. [24.10.618]

In order to comply with City Council direction regarding development on the Main Beach Parking Lot:

- incorporate an overlay zone on the Main Beach lot which provides performance criteria and development standards which limit development to less than 125,000 square feet, with an emphasis on specialty/boutique retail, entertainment uses and a potential performing arts facility. Structured parking shall also be allowed on this site which must be in compliance with requirements and design criteria outline in the Plan. Development parameters for the Main Beach lot will be determined through a community-based planning process.

Change Boundaries:

This chapter and the previous ones on Beach Hill and Beach Flats have proposed specific boundary changes to the RTC zone within the Beach Commercial Area in order to ensure more compatible development, and provide proper incentives and constraints. They are reflected in the map below. In sum, they are:

- both sides of Riverside Avenue from Third Street to Leibrandt [RTB to RTC]
- east side of Riverside Avenue from Leibrandt to Beach [CB to RTC]
- north side of Second between Cliff and Leibrandt [RTB to RTC],
- north side of First Street between Westbrook and Cliff [RTB to RTC], and
- north side of Beach Street between Riverside and Leibrandt [CB to RTC].

In addition to the other General Plan modifications noted within the text of this chapter, the rezoning from of the intersection of Riverside and Leibrandt from RTB to RTC would require amending the General Plan designation from neighborhood commercial to regional serving commercial. It would also serve to make the existing El Mercado a conforming use.

Recommendation: CB Zone

The CB zone covers the use, appearance and functioning primarily of the Wharf, the Wharf Intersection, and Boardwalk. In order to be able to govern and encourage compatible uses, this study recommends modifying the zone to:

- require conformance with Design Guidelines for all renovations/development outside of existing Boardwalk facilities,
- permit temporary uses subject to administrative review
- modify parking dimension standards to accomplish Local Coastal Zone goals and provide access,

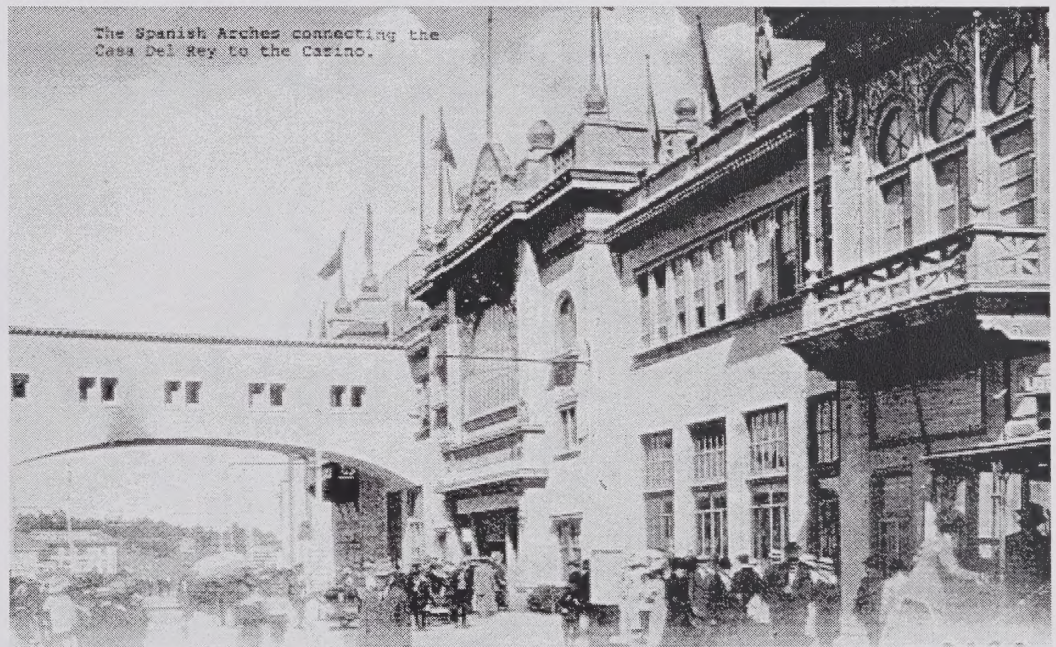
- modify height and bulk standards to be consistent with EIR criteria regarding height and subject all proposals to administrative review.
- eliminate incompatible uses in the text.

Recommendation: RTB Zone

In order to address the management, appearance and functioning of the lodging industry facilities which lie within the RTB Zone, this study recommends modifying the zone to:

Add Requirements:

- require conformance with Design Guidelines,
- require annual licensing renewal for all lodging facilities,
- clarify distinction between transient and extended stay facilities.
- incorporate an overlay zone on the West Coast Santa Cruz Hotel parking lot site to modify the RTB zone to eliminated future motel or hotel development.



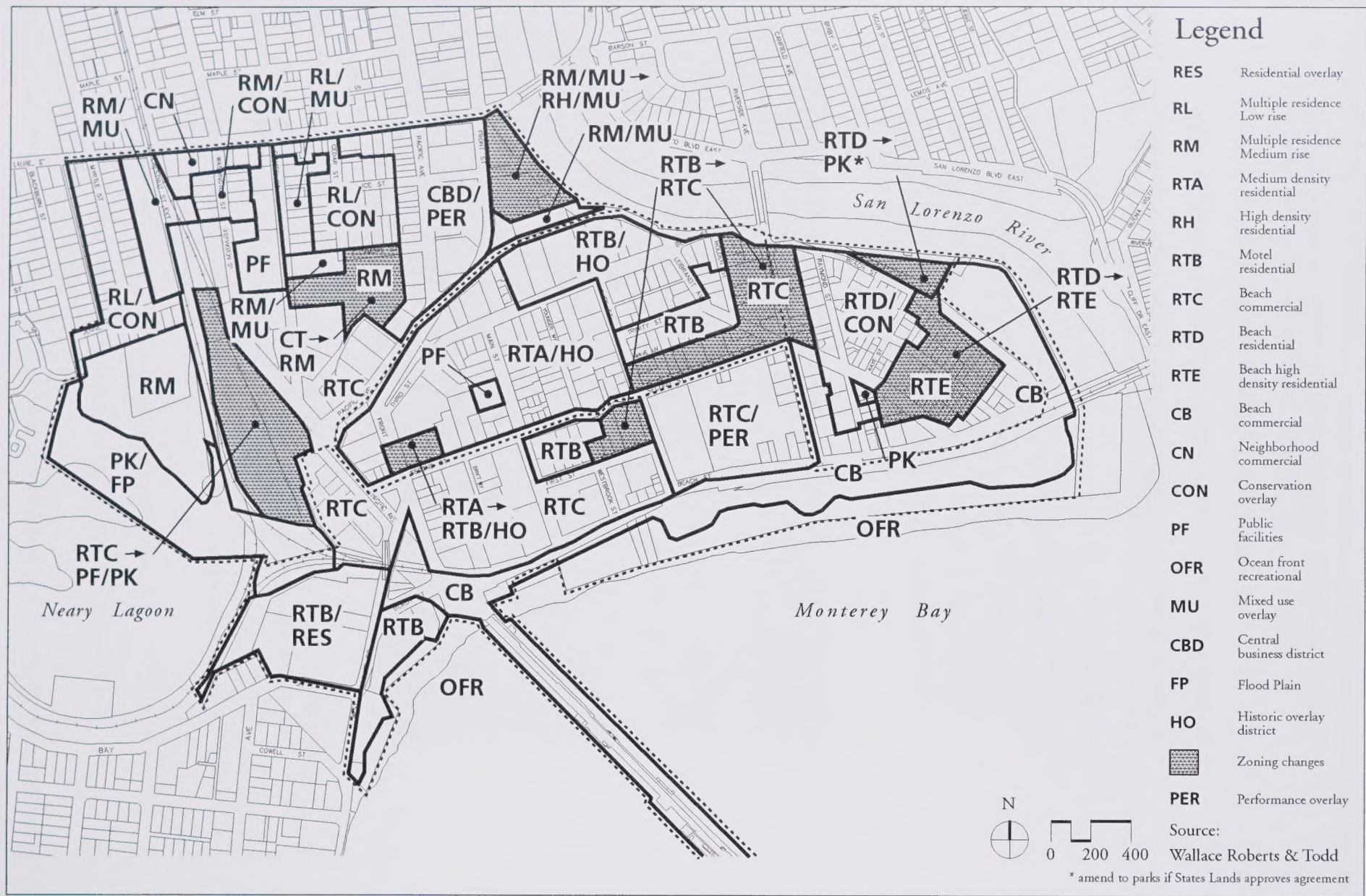
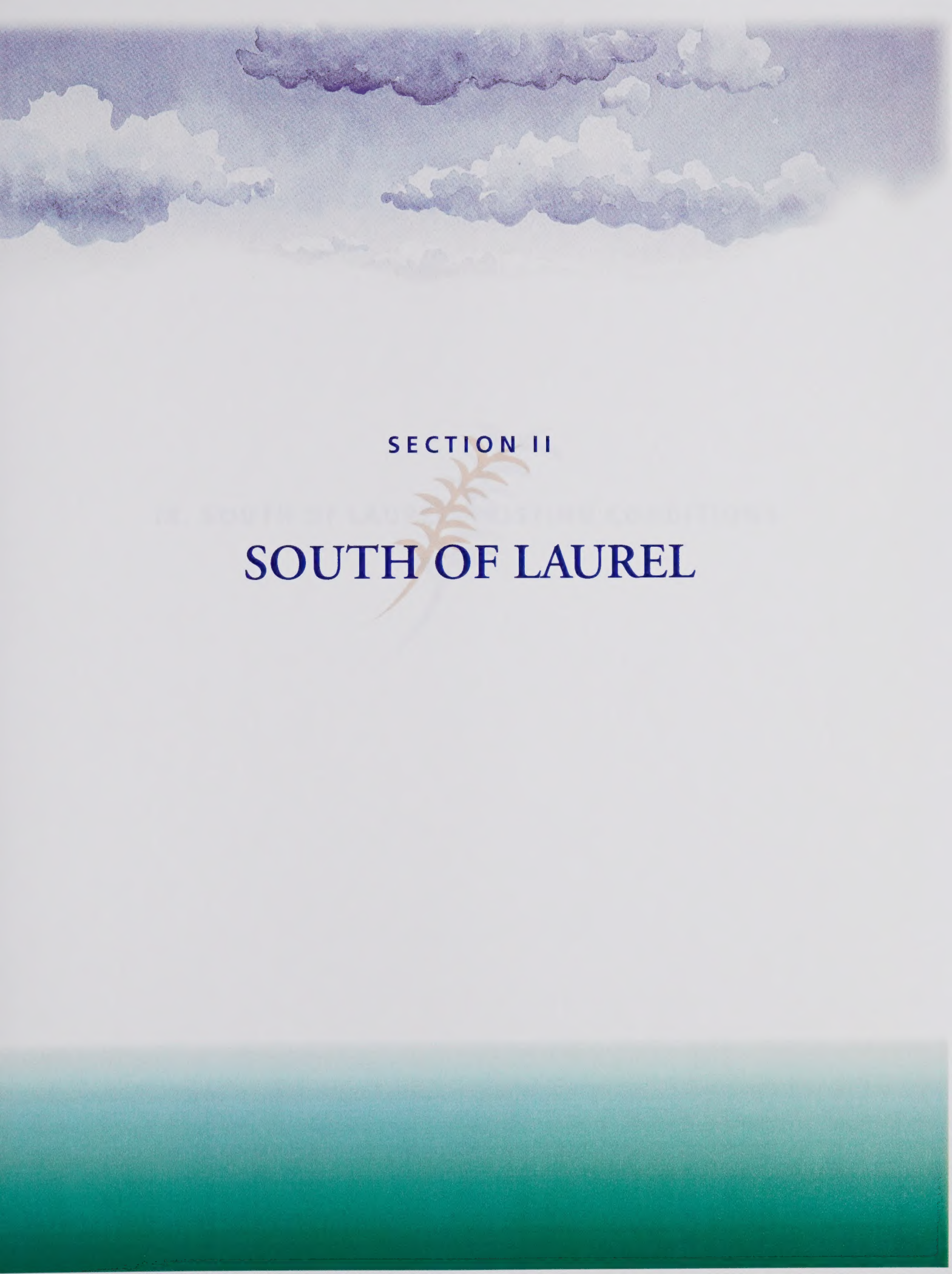


Figure 38

Zoning Changes



SECTION II

SOUTH OF LAUREL

IX. SOUTH OF LAUREL: EXISTING CONDITIONS



IX. EXISTING CONDITIONS: LAND USE & ZONING - SOUTH OF LAUREL

A. OVERVIEW

The South of Laurel area, consisting of approximately 80 acres, is strategically located between the revitalized Downtown and the Monterey Bay. Its street system, particularly Pacific Avenue, Front Street and Center Street link the two areas, while the Southern Pacific Railroad tracks form an historical hard rail connection between the Beach, the Wharf and the downtown.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 39

Beach / South of Laurel Linkages

B. SOUTH OF LAUREL CHARACTERISTICS

1. Overview

The South of Laurel reflects the richness and variety of Santa Cruz's past, with the development of charming, small scale residential neighborhoods, intermixed with large, land intensive light industrial uses. In general, the residential neighborhoods are clustered along the southern edge of Laurel Street, while the commercial and light industrial uses follow the transportation arterials of Pacific and Washington Street.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 40

South of Laurel Concentration of Land Uses

In the late 19th Century, Pacific Avenue was an extension of Beach Hill with large Victorian mansions lining the Street. Over time, these homes were turned into boarding houses and the nature of the area began to change.¹ Today, there are still many examples of both large scale and small scale Victorians scattered throughout the South of Laurel.

2. Major Factors Influencing Land Use

There are two major factors which have helped determined how the South of Laurel looks and functions. They have played an important role in the evolution of land uses over the years and hold promise for the future. They are:

- Natural Open Spaces, and
- the Role of the Railroad.

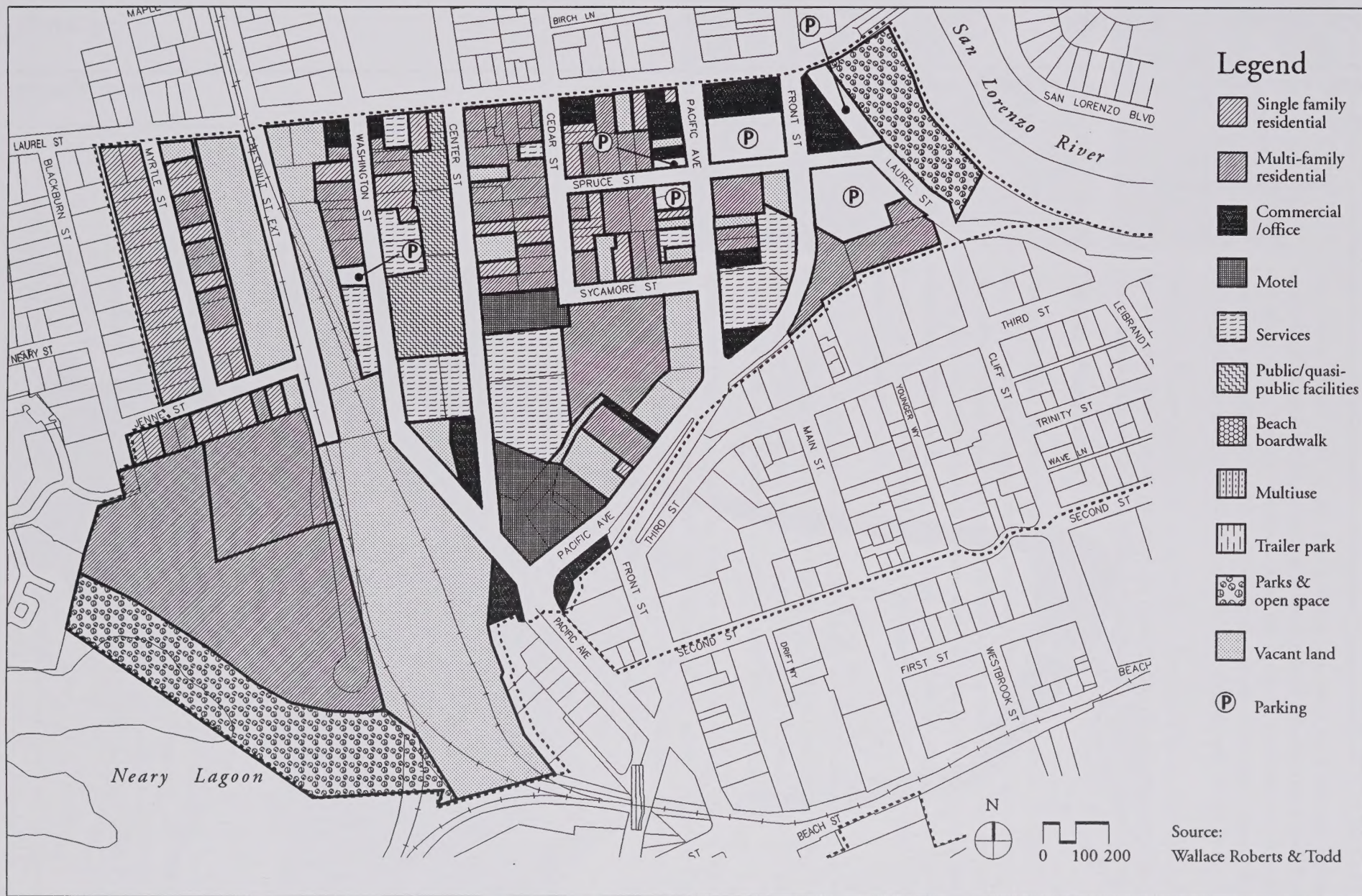
Natural Open Spaces

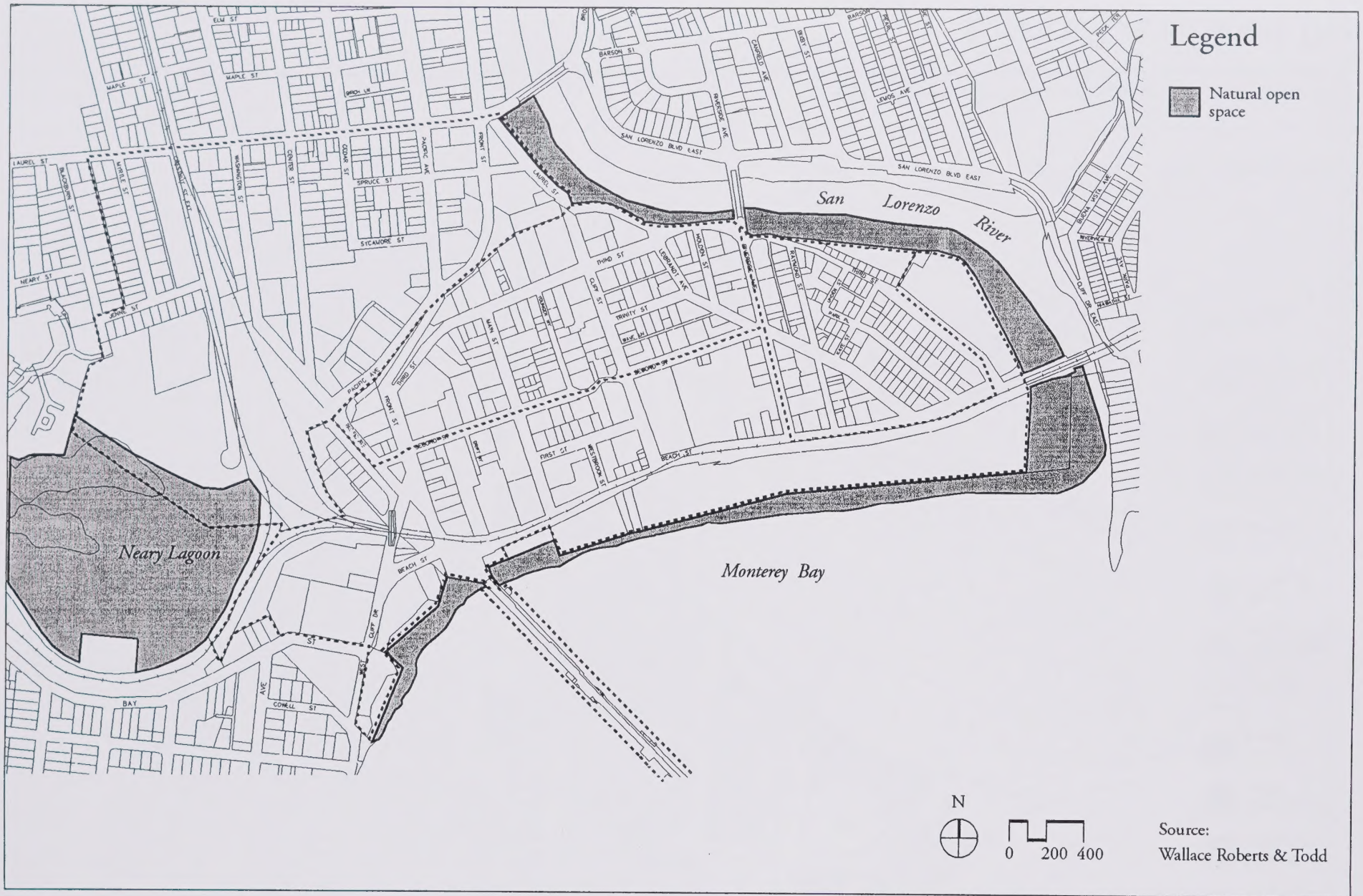
The natural open spaces of **Neary Lagoon** and the **San Lorenzo River** define the southern and the eastern boundary of the South of Laurel. They contribute a sense of spaciousness to the area and provide an important community amenity. Because of their natural beauty, their borders have become attractive locations for the development of residential complexes.

During the past decade, the City of Santa Cruz has encouraged the development of an affordable housing complex adjacent to Neary Lagoon, and recently the construction of Mariner's Cove to the north has completed the definition of the residential streetscape along lower Chestnut Street and the Lagoon.



¹ Gibson, *History & Future of the Santa Cruz Waterfront*, p. 52.

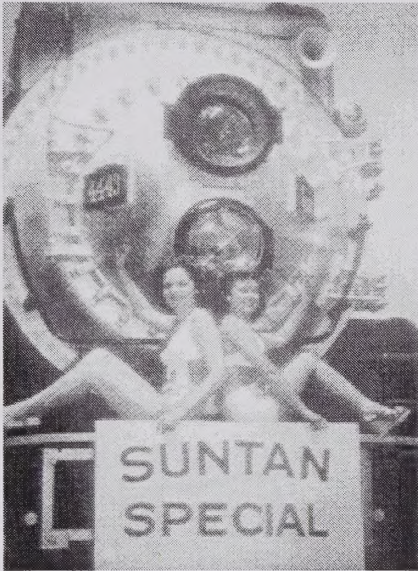






The “River Bend” area of the San Lorenzo was once an important linkage between the recreational activities of the Beach and the commercial activities of the Downtown. At the end of the 19th Century, bleachers lined the banks of the River for several blocks between Laurel Street and Beach Hill, providing thousands of visitors seating for the spectacles staged across the river in the onion-domed “arc de triumph” River Stage.²

Today, this former seating area is vacant land. Because of its location along the San Lorenzo, this site in today’s market provides an opportunity for the construction of a residential, mixed use project which could help form a gateway to the South of Laurel.



The Role of the Railroad

The railroad has played a major role in the development of the South of Laurel. It served not only as primary transportation for the thousands of visitors coming to the Beach, but also performed an important industrial role. In the mid-1890’s, the area now known as the Depot Site served as a Union Station and rail yard for three separate lines: the bayshore route from Watsonville; the ocean shore route from Davenport; and the mountain route from Los Gatos. In the high season, “six passenger trains could be at the station at one time.” (Gibson)

The presence of the railroad helped determine the light industrial character of the Depot District. During Santa Cruz’s brief timbering period, the railroad moved lumber from the mountain to the shore and more importantly in economic terms, the Wharf rail line moved fish from the fleet to warehouses located along **Washington Street**.

Today, the Depot site, provides a major opportunity for the City of Santa Cruz to once again coordinate the travel of local residents as well as visitors by creating a centralized multi-modal transit center which would serve to provide parking for cars, provide shuttle service between the Beach and the Downtown, and offer a transfer site for rail and bus passengers when the proposed “Sun Tan Special” returns to service.



C. EXISTING CONDITIONS

There are three fairly distinct development areas in the South of Laurel. Small scale residential neighborhoods make up most of the northern edge of the area, while larger, multifamily residences are located near Neary Lagoon, south of Sycamore Street and near the major circulation arterials. Commercial uses are located primarily along Pacific Avenue near Laurel

² Gibson, *History*, p. 55.

Thus, the residential character of the South of Laurel varies according to location. There are three different residential densities³ - low/medium density at 10-20 units per acre in the smaller scale neighborhoods; medium density at 20-30 units per acre on the new development areas away from the central core; and high density of between 30-55 units per acres is proposed for along the boundaries of the area near the River.

2. Commercial Uses

There are a wide variety of commercial uses in the South of Laurel. These range from small, neighborhood serving retail to land intensive automotive sales to visitor serving motels, light industrial warehouses and newer office space. Approximately 28 acres are zoned for commercial development

Because of this variety, different commercial areas take on distinct and different character. For example, **Pacific Avenue below Laurel** is a natural extension of the Downtown restaurant and entertainment district with pedestrian focus and outdoor activity.



Pacific Avenue

However, the lower end of **Pacific Avenue**, where it intersects with **Front Street**, is characterized by the sprawling, land intensive automotive uses ranging from sales and repair to taxi and limo-bus storage. Land use intensification and redevelopment along this



³ These categories reflect the current *General Plan*, and not the revision which has not yet been certified.



Lower Washington Street is lined with a series of one-story warehouses stemming from the area's earlier industrial era.

corridor will provide the necessary continuation of the Pacific Avenue streetscape and retail activity. Automotive land uses also are found on **Center Street**, adding to the light industrial aspect of this area.

The changing nature of this area, and the strengthening of investment interest is illustrated by the recent construction of a two story office facility on **Lower Washington Street**, and the location of the Ocean Pacific Lodge located at the intersection of **Center and Pacific Avenues**.



Center and Pacific Avenues



Commercial uses on Laurel Street tend to serve local needs.

The wide variety of land uses and land intensities in the South of Laurel have created an effect of discontinuous and scattered development, lacking an identifiable character. However, as the preceding photographs have demonstrated, there is an established human scale in the residential areas, and a potential for two to three stories in height in the commercial areas.

What is needed is the creation of a continuous street edge and clear transitions to define the distinct neighborhoods. For this reason, the Plan will recommend the adoption of "Design Guidelines" governing both commercial and residential development in this area, as well as specific urban design improvements.

D. ZONING IN THE SOUTH OF LAUREL

The wide variety of land uses are reflected in the number of zoning categories in the South of Laurel. [See following figure]

1. Residential Zoning: R-L & R-M

There are two basic residential categories: R-L, multiple residence, low density (10-20 units/acre); and R-M, multiple residence, medium density (20-30 units/acre). The *South of Laurel Plan Strategy* proposed adding the possibility of mixed use development within the residential area in order to create a vibrant mix of uses and allow a certain percentage of development to be dedicated to commercial uses or live-work arrangements. Thus a Mixed Use Overlay District was suggested. Most mixed use development is expected to occur along major arterials and in the form of vertical combinations of use, with commercial uses on the ground floor and housing above. This recommendation was adopted in 1995.

2. Commercial Zoning: RTC; CBD; CN; & CT

There are four commercial zoning categories: RTC, regional tourist serving commercial; CBD, central business district; CN, neighborhood commercial; and, CT, thoroughfare commercial.

RTC

The regional serving visitor commercial, RTC is assigned to the lower end of the planning area in the vicinity of the intersections of Pacific Avenue, Center and Washington Streets. Several motels already exist in this area. Support services such as restaurants or entertainment and additional lodging uses can be envisioned in this area. In addition, this zoning category permits the continuation of marine related uses and the encouragement of mixed use residential development.

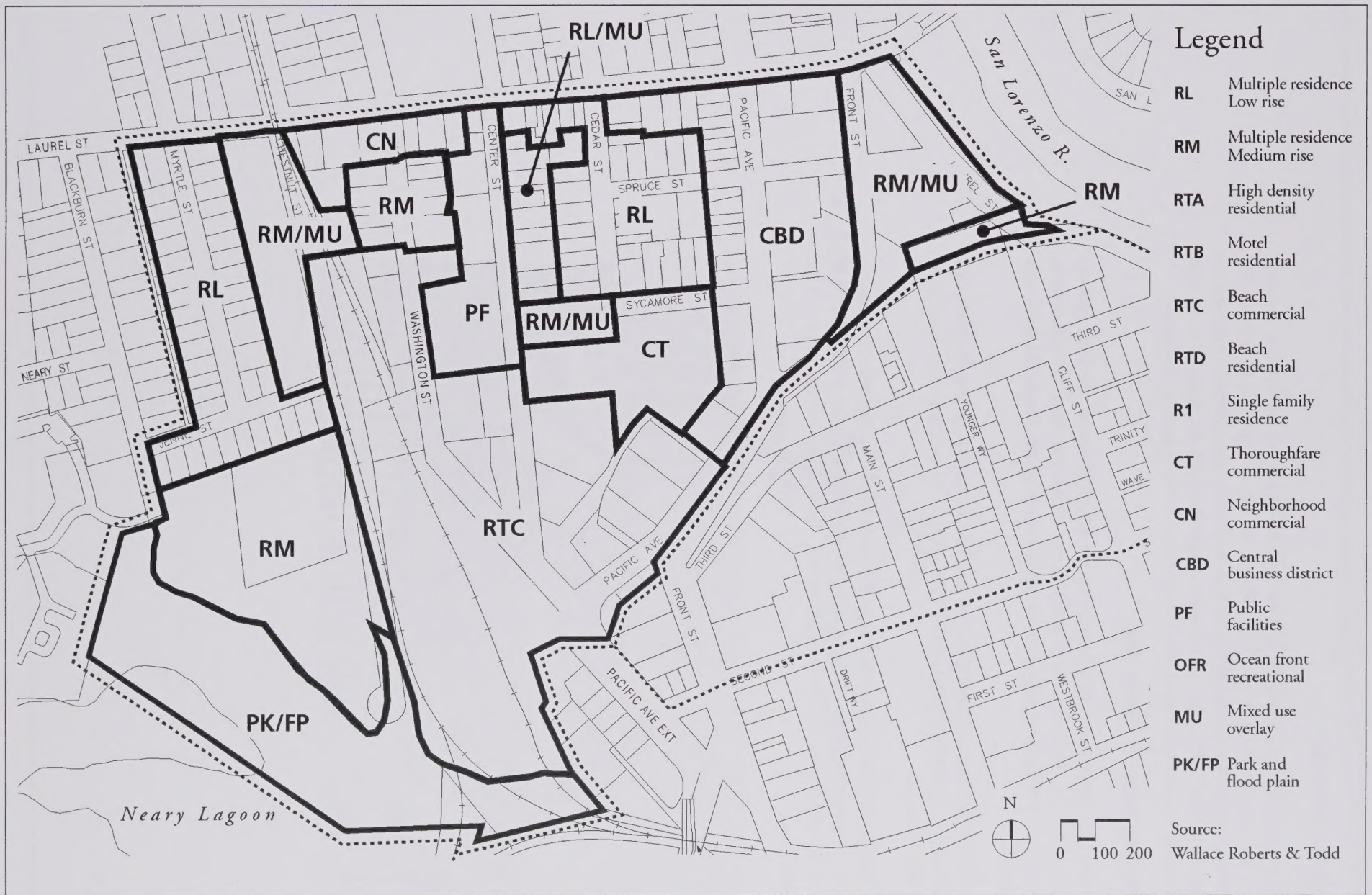
Lower Pacific Avenue Central Business District: CBD(E)

Lower Pacific Avenue forms the principal linkage between the Downtown and the Beach. The earlier *South of Laurel Plan Strategy* acknowledged and reinforced this central connection by recommending the extension of the central business district zoning found north of Laurel Street be applied with specific lower profile design guidelines on lower Pacific Avenue. A CBD Subdistrict E zoning was recommended and adopted.

This zoning encourages the development of a pedestrian friendly mixed use environment of 2-3 stories along the corridor. Ground floor uses are most appropriately those which cater to pedestrians and provide pedestrian interest and amenities. In order to create an interesting and vibrant street edge, it was recommended that access driveways be minimized and parking areas be located to the rear of new development.

CN: Laurel Street

The neighborhood commercial zone along Laurel area permits and encourages the location of locally serving retail and services. The *Plan Strategy* recommended the slight expansion of this zone to include the corner of Chestnut and Laurel Street to serve the commercial need of the local population as well as the larger downtown neighborhood. Vacant land provides the opportunity for additional development



CT: Thoroughfare Commercial

There is one large parcel, located where the Sycamore Housing project is being constructed, which retains a CT zoning designation. The purpose of this CT zone is to provide for retail, commercial, service, amusement and transient-residential uses which are appropriate to thoroughfare locations. This zone is no longer consistent with the proposed use, and this study will recommend a rezoning of this area to RM, medium density residential.

3. Overlay Zoning: South of Laurel: SOL

As part of the comprehensive planning approach for the South of Laurel, the *Plan Strategy* recommended an “interim overlay district” zone be placed within the South of Laurel study boundaries in order to provide flexibility and stimulate redevelopment until the final Area Plan was prepared.

The purpose of this zone was to provide for review of all development proposals within this area in order to ensure consistency with General Plan goals of mixed use development and higher density development.

This study will recommend the necessary rezonings, the application of conservation residential overlay districts, and design guidelines for all commercial and residential construction in order to accomplish these goals. With these adoptions, the existing overlay zone will no longer be necessary.



X. SOUTH OF LAUREL: RECOMMENDATIONS



X. RECOMMENDATIONS: LAND USE & ZONING - SOUTH OF LAUREL

A. OVERVIEW & PURPOSE

The charming small scale residential neighborhoods in the South of Laurel must be protected and enhanced, while the significant development opportunities presented by vacant and underutilized parcels should be actively encouraged.

The future strength of the South of Laurel is in the compatible and harmonious integration of a variety of land uses which contribute to its overall economic health and support the important retail activity of the Downtown and the visitor serving industry of the Beach. As the physical link between these two areas, the revitalization of the South of Laurel is seen as a strategic economic and transportation component of a comprehensive strategy.

The purpose of the following recommendations is to ensure that the South of Laurel will become a diverse, urban density residential neighborhood which is pedestrian friendly, conserving the existing neighborhood characteristics while providing for additional visitor attractions and increased commercial development. In order to ensure that new development is compatible and not overwhelm existing neighborhoods, this Plan recommends both the modification of some zoning densities and the application of Design Guidelines.

B. PLANNING POLICY & GOALS

1. Overview

Extensive policy has been developed over the years to address the issues of residential quality of life in the South of Laurel neighborhoods and the opportunities for commercial development. The basic policy for this area was defined in the *City of Santa Cruz South of Laurel Area Plan Strategy* which was adopted in December, 1995 as well as in the *City of Santa Cruz Beach Area Plan Strategy*. Its major rezoning recommendations have been incorporated into *Title 24 Zoning Ordinance of the City of Santa Cruz*.

2. Residential Policy Framework & Goals

The following summarize the basic residential policy framework and goals:

- a. Provide adequate land area to establish between 300 - 400 new residential units in the South of Laurel by rezoning adequate land area to residential designations.
- b. Transfer existing higher density residential General Plan designations from the Sycamore housing site, that is being developed with a medium density project, to sites that are near natural amenities such as the San Lorenzo River.
- c. Establish levels of public benefit for higher residential designations.

- d. Establish a design permit overlay zone that requires all projects to obtain a design permit consistent with new design guidelines for appropriate areas.
- e. Establish Conservation overlay zones on existing smaller scale neighborhoods to promote maintaining the integrity of existing neighborhoods.
- f. Encourage mixed use development in the residential sections of the area on major arterials by overlaying the mixed use zoning district on appropriate areas.
- g. Implement mechanisms to increase rental housing including stock in the South of Laurel area, including a possible temporary waiver of inclusionary requirements for rental projects.
- h. Encourage a mixture of market rate and affordable housing.
- i. Establish a new active park space to meet the needs of the anticipated population increase.
- j. Consider land swaps, Federal Grants for promoting transit, and other outside resources in combination with City funds already identified as methods to acquire and improve all of the Union Pacific property for Public Use.

3. Commercial Policy Framework & Goals

The following summarizes the basic commercial policy framework and goals.

- a. Establish the southern end of Pacific Avenue below Laurel Street as an extension of the Downtown Recovery Plan policies for Pacific Avenue with an emphasis on mixed residential development above ground floor retail and other uses. Create a CBD zone that uses the same village design and use policies as the Cedar Street area of the Downtown Recovery Plan.
- b. Establish a two-story minimum for commercial development along Pacific Avenue.
- c. Establish the area adjacent to the river as a high-density mixed-use area that will provide new market rate housing.
- d. Emphasize Front Street as the secondary access route to the Beach by creating a streetscape that clearly identifies the route as a beach access. This should be established by planting palm trees along the route between Soquel Avenue and the Union Pacific site as recommended by the Downtown Recovery Plan.
- e. Extend the RTC Beach Commercial zone to the lower portion of the South of Laurel to encourage further visitor serving uses such as motels and restaurants and other visitor support uses.
- f. Reduce or eliminate the requirement to provide parking on lots 40 feet wide or less along lower end of Pacific Avenue, if an in-lieu fee is paid to allow the vacant lots to be developed.

- g. Create an expanded neighborhood commercial use area at the corner of Chestnut and Laurel Streets, to better serve the new residential intensity established in the plan.

C. RECOMMENDATIONS

1. Neighborhood Conservation Strategy

The intent of the following recommendations is to establish a clear program of neighborhood conservation procedures in tandem with long-term investment by individuals and the City in the following three residential neighborhoods. [See following map]

Recommendation: Designate the Myrtle Street; Cedar/Spruce Street; and Washington Street Neighborhoods as “Conservation Areas”.

This study recommends that the three neighborhoods identified in the following figure be designated as “conservation areas.” This designation would include the program elements, discussed in detail in the recommendations for Beach Flats Conservation Area.

Among the program elements are:

- new code enforcement measures targeted to the streets in need,
- interior and exterior maintenance program, with technical assistance and grant assistance, map conservation Fig. 44 SOL conservation areas
- home ownership programs, and
- design guidelines governing new development and rehabilitation.

It is understood that these program elements would be phased in in the South of Laurel as resources become available.

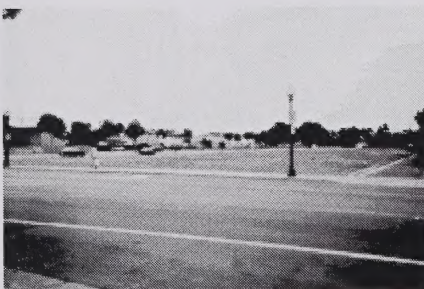
2. Residential Development Strategy

In addition to the residential conservation strategy for specific neighborhoods, this study also identifies sites for medium and high residential development.

Recommendation: Medium Density Residential: Encourage RM/MU and Rezone Sycamore Street Site to RM.

Medium Density Residential Development: (Mixed Use)

Over the years, there has been a variety of development proposals for the old Ice House site at the corner of Laurel and Chestnut Streets. This study endorses the 1995 *Plan Strategy* recommendation of medium density/mixed use development on this site. Because of its location adjacent to a proposed neighborhood conservation area, the siting and design of this development will be critical to reinforcing the human scale and neighborhood character of residential use in the area. It is also appropriate that additional commercial or live-work activity could be incorporated into this site which crosses Chestnut Street.



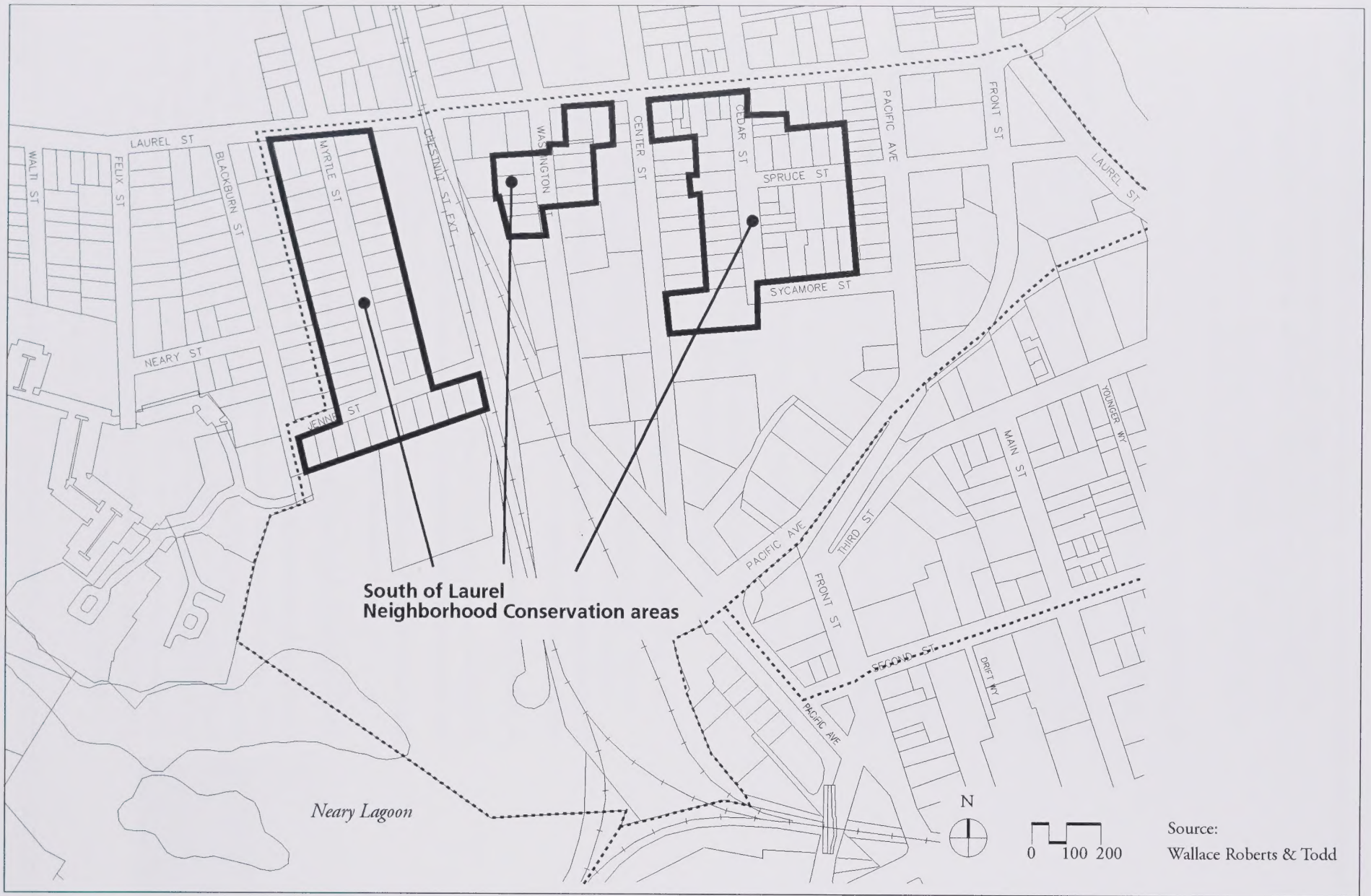


Figure 44

South of Laurel Conservation Areas

The second site which would benefit from rezoning to RM/MU is the approximately one acre parcel zoned CT between the Sycamore Housing project and Center Street which is currently occupied by the **Scotts Auto Body** shop. This study recommends rezoning this parcel to RM/MU to encourage compatible residential development, while allowing mixed use along the Center Street corridor.

Medium Density Residential: Rezone from CT to RM

The **Sycamore Street** housing site still retains the Thoroughfare Commercial zone. This study recommends rezoning this site to RM, Medium Density Residential to make it consistent with the current use. Sixty units are being provided on this site.

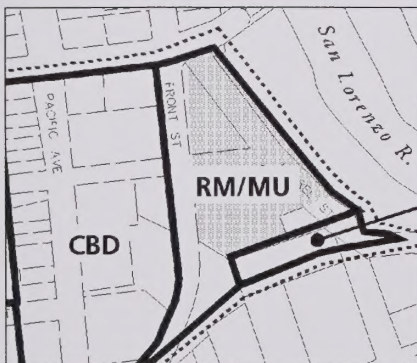
Recommendation: High Density Residential: Identify Appropriate Sites for High Density Residential.

The General Plan designated the Sycamore/Scotts Auto site for high density residential development. However, this planning process has identified the perimeter of the South of Laurel study area adjacent to the natural resources of the San Lorenzo River is more compatible for this type of density. In addition, this location because of its attributes possesses the potential to attract market rate development, thus achieving the goal of a balance of market rate and affordable housing.

Rezone River Bend: RM/MU to RH/MU

A high-density residential area is envisioned between Front Street and the River in order to take advantage of the amenity of the River and future improvements to the River levee. Possible mixed use projects will be considered in this area adjacent to Front Street. Due to its location along the River, this is envisioned as primarily a market rate development area.

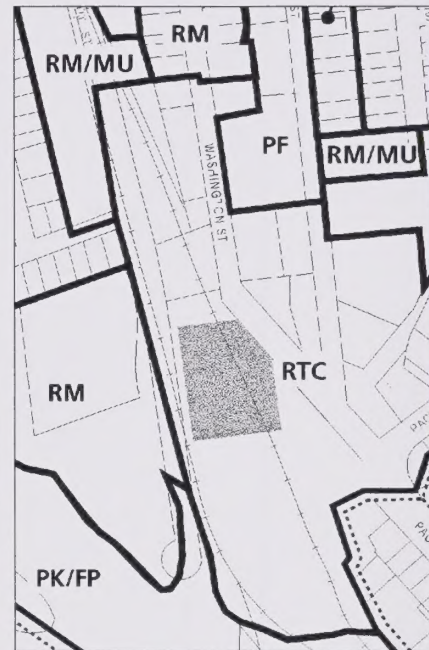
This study further recommends that the City hold open the option of swapping the abandoned end of Laurel Street Extension with the developer in exchange for private sector landscaping of the Levee. This site should be placed under Design Permit Overlay Zone with specific guidelines.



Potential Public Facilities & Park: The Depot Site

The 6.05 acre Union Pacific Site is uniquely located to accomplish the primary goals of both the Beach and the South of Laurel. As a focal point of community activity, the site is envisioned as a public use facility, providing parking, a small scale multi-model transit facility, and recreational open space. Each of these proposed uses is discussed in detail in the chapter dealing with transportation and parks and open space.

This approach would encourage the location of transportation facilities and park space in the South of Laurel. Since the development of the Plan, the City has applied for funds to acquire and develop the site. Current discussions regarding this site also address its potential as a museum site.



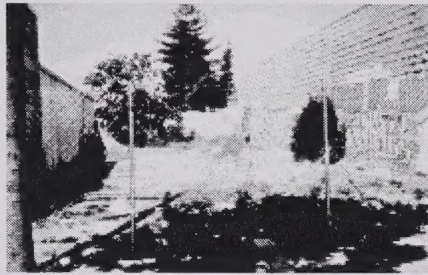
3. Commercial Development Strategy

Pacific Avenue: CBD Parking Requirement Modification

Pacific Avenue and adjacent commercial and mixed use developments are planned as one of the important linkages between Downtown and the Beach. Pacific Avenue as it has developed north of Laurel Street is the model. Not only will a similar treatment provide continuity, it will bring with it a similar emphasis on pedestrian amenities.

The streetscape continues the strong pedestrian character of Pacific north of Laurel. Similar landscape treatment and pedestrian amenities are proposed, to Pacific Avenue's intersection with Front Street. Sidewalk width should be planned to allow the same promenading widths as exist to the north.

There are a limited number (6) of small lots located along Lower Pacific Avenue which because of their size are extremely difficult, if not impossible, to economically redevelop. In order to stimulate redevelopment of these six sites, this study recommends a waiver of parking requirements for lots 40 feet in width or less in the CBD zone in the South of Laurel, if a yearly parking deficiency fee is paid.



Recommendation: Waive Parking Requirement on Small Lots for Fee.

This recommendation has a limited public impact for two reasons: first, the limited number of sites which can qualify; and second, the limited amount of parking generated by redevelopment of these sites. Of the 30 lots in the district, only six lots would qualify for this exemption. Average lot size of these parcels is approximately 3400 square feet. If all these parcels were built at an average FAR of .6, then parking would have to be provided for approximately 12,200 square feet of building area. It is estimated that 40 parking spaces would need to be created to allow development of these lots based on a parking ratio of 1 space/300 square feet of building area.

Parking for these lots could be provided at several locations. The City has created a new 23 space parking lot at the corner of Laurel and Front Street that could provide about half the parking required. Another optional location would be at the corner of Sycamore Street and Pacific Avenue, which is a portion of the remainder lot of the Sycamore Coop site. This site could be leased to provide another 20 or more parking spaces while a permanent facility is being considered.



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 45

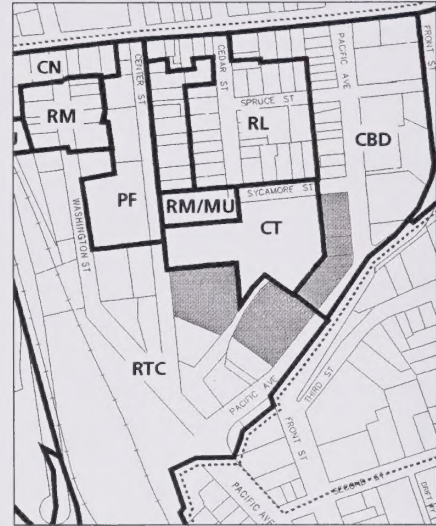
Lower Pacific Avenue Parking Impact Area

This regulation could be implemented by establishing specific conditions of approval for those impacted sites. In order to accomplish this, an ordinance would have to be drafted to indicate the parking waiver procedure and the mechanism for allocating funds to South of Laurel parking projects.

Costs could reflect the deficiency fees required for Downtown which are currently \$370/space/year. This approach is necessary because it is unlikely that the South of Laurel could support a separate parking district as most of the sites provide on-site parking.

Lower Pacific : Visitor Serving Potential

Lower Pacific Avenue as it approaches the intersection of Washington and Center Streets has a series of vacant and underutilized sites. This study anticipates the redevelopment of this corridor to include visitor support services such as restaurants, entertainment and additional lodging facilities. Consistent with the mixed use theme, residential development may also occur in this area.



Front Street: Mixed Use Development

Front Street will be emphasized as a major new vehicular access route to the Beach in order to divert some traffic from Ocean Street and provide downtown more exposure. Its design and adjacent land uses reflect this purpose. Similar to Pacific Avenue, it continues a pattern and use which is already established north of Laurel Street. Mixed use projects will be encouraged along this strip. A summary of the development potential in the South of Laurel is listed in Appendix A.

D. GENERAL PLAN & ZONING ACTIONS NECESSARY

In order to implement the recommendations, the following actions will be necessary:

General Plan

- Revise General Plan designation for the 4.08 acre Ocean Chevrolet site from a high density residential designation to a Medium density designation. Modify the LCP designation from a Commercial designation to a Medium density residential designation and rezone the property from CT to RM

for the Main Sycamore housing coop site and modify the existing auto body site on Center St. from CT to a RM/MU designation to allow mixed use on Center Street.

- Revise the General Plan and LCP for the 1.86 acres in the South of Laurel along the river bend from a medium density designation to a high-density residential designation, and change the zone from RM/MU to a RH/MU designation.
- Revise the General Plan, the LCP and zoning designations for the 6.05 acre Southern Pacific site from a regional visitor serving designation to a public facility and parks designation to accommodate a future multi-modal station, parking, park and possible museum site.
- Modify LCP for Lower Pacific Avenue to a visitor serving commercial designation.

Zoning Changes

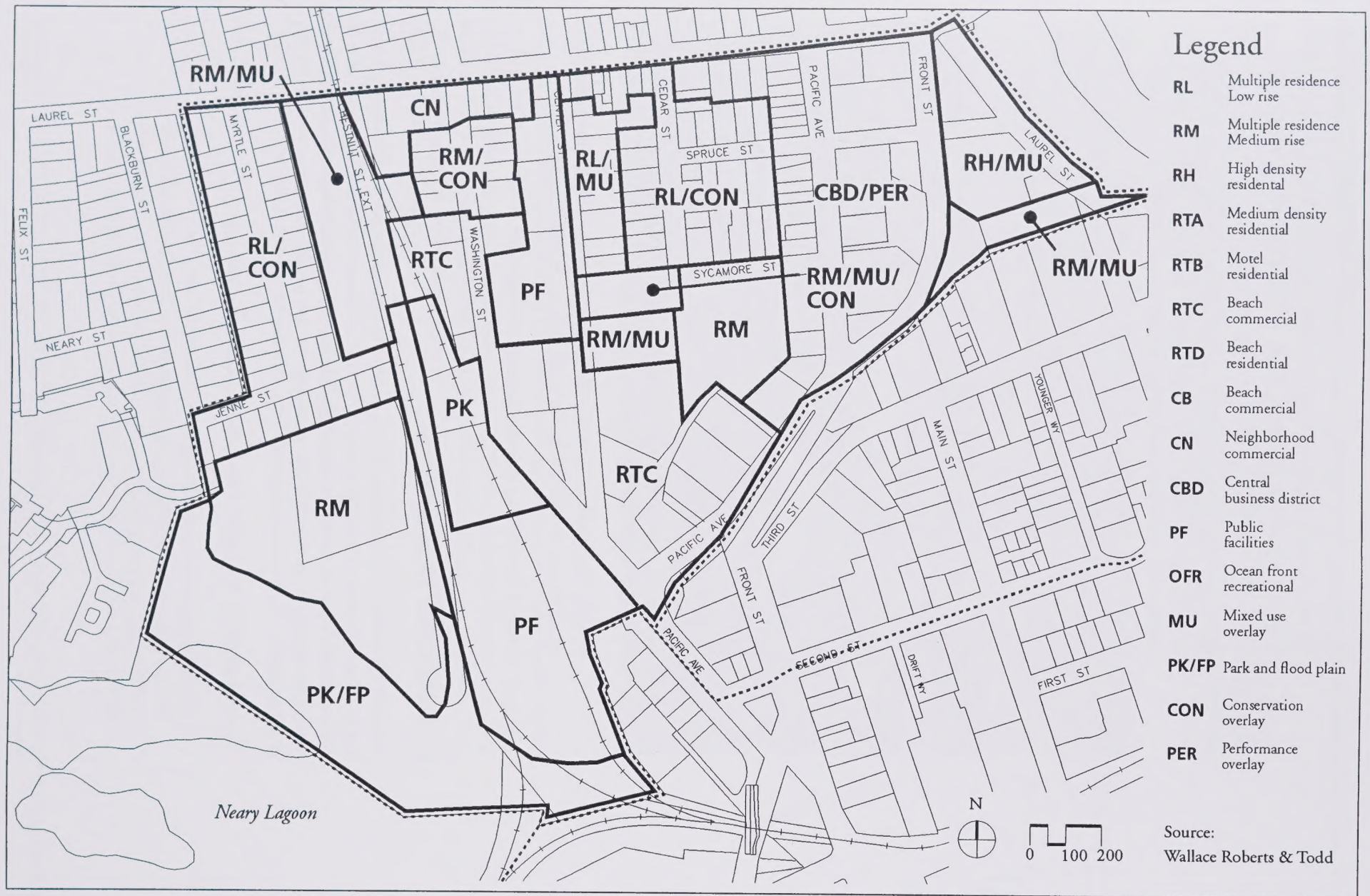
- Establish conservation overlay zones on existing smaller scale neighborhoods in the Myrtle Street; Cedar/Spruce and Upper Washington Street areas.
- Establish a design permit overlay zone for the entire South of Laurel that requires all new projects including commercial developments and single family homes and any additions over 15% to obtain staff approved design permits that are consistent with new design guidelines for the area.
- Create an overlay for the South of Laurel CBD Zone to establish development standards and performance criteria.
- Modify the South of Laurel CBD zone to reduce or eliminate parking requirements for lots 40 feet in width or less, if an in-lieu fee is paid.
- Modify the CBD zone to not allow auto sales.

E. URBAN DESIGN RECOMMENDATIONS

Urban design analysis has identified the need to create strong edges to where neighborhoods begin and end in order to provide a strongly established sense of place. The cohesiveness of neighborhoods begins to weaken at the edges. The following urban design recommendations have been developed to enhance the entryways to the neighborhoods at very definable intersections.

Recommendation: Implement Urban Design Recommendations:

- at Laurel & Myrtle Streets
- at Laurel & Washington Streets, and
- at Laurel & Cedar Streets.

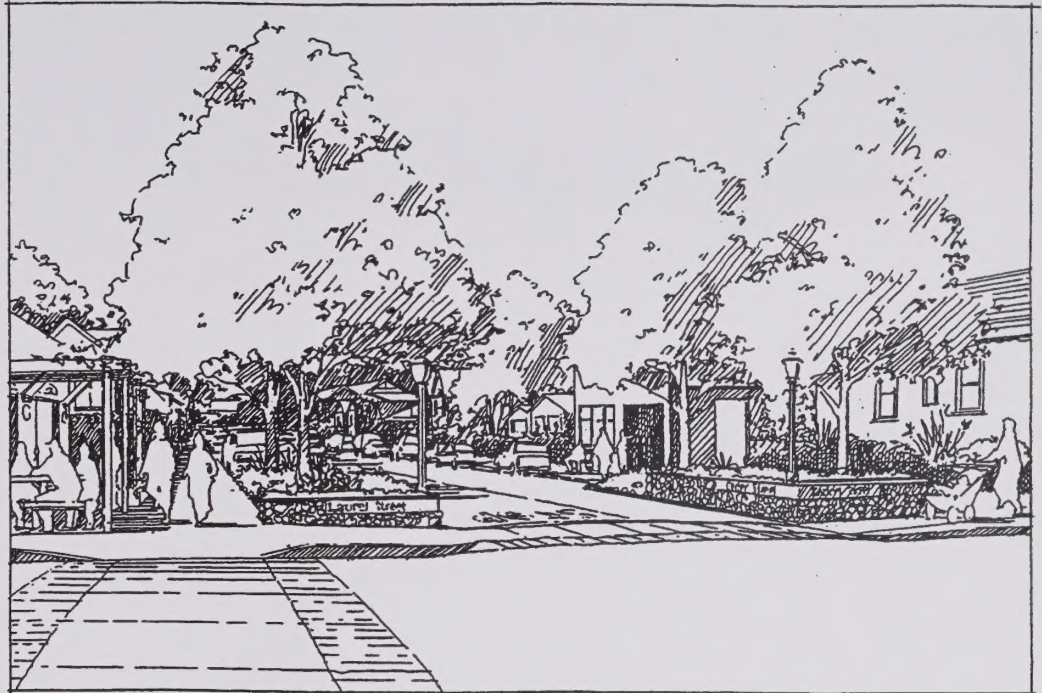


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Figure 46

Proposed Zoning, South of Laurel

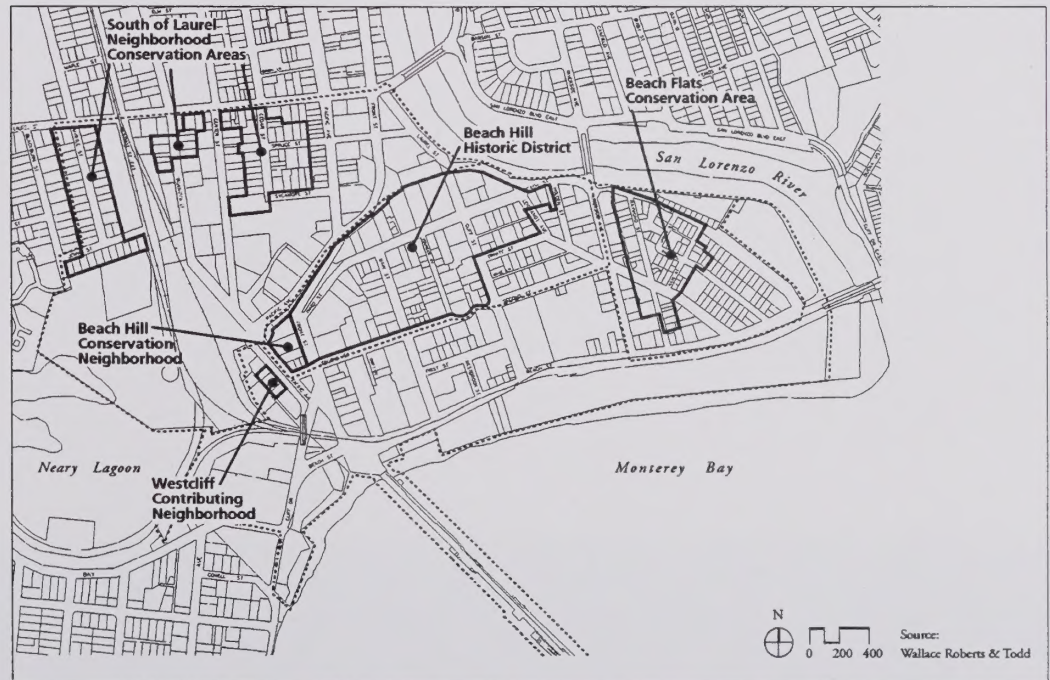


Local streets entering South of Laurel conservation neighborhoods are marked by gateways

F. DESIGN GUIDELINES: SOUTH OF LAUREL

Design guidelines have been proposed for both residential and commercial construction in the South of Laurel. They are incorporated into the *City of Santa Cruz Beach and South of Laurel Area Plan Design Guidelines* which are part of this study.

Recommendation: Adopt Design Guidelines for South of Laurel.



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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 47

Conservation Areas

SECTION III

TRANSPORTATION,
TRANSIT, & PARKING

XI. TRANSPORTATION: PLANNING & POLICY CONTEXT

A. APPROACH & PURPOSE

1. Overview

The purpose of this analysis¹ is to propose a framework for a long-term and comprehensive transportation management plan which anticipates, supports and manages substantial revitalization in the Beach and South of Laurel areas in a manner which reduces reliance upon the automobile, protects neighborhoods, enhances coastal attractions, and facilitates shoreline access.

The objective is to develop the most appropriate combination of circulation improvements, transit/rail, parking, pricing and pedestrian/bicycle strategies which will:

- support new development and expand the operational season,
- protect existing neighborhoods, and
- encourage transit, rail, pedestrian and bicycle access.

The assumption underlying this approach is that no single strategy will solve the complex issues of implementing the Beach Area/South of Laurel Master Plan. Rather, the implementation strategy must address interrelated elements including:

- changes to circulation patterns,
- improvements to contributing intersections,
- coordination of commercial and residential parking strategies,
- development of an integrated pricing system and fee structure for transit and parking,
- construction of new parking facilities,
- dispersal of employee parking to intercept lots,
- development of shuttle service for visitors and employees,
- provision for potential rail service, and
- proposals for management and implementation.

Thus, the focus of this analysis will be on five proposed pillars of a transportation management plan. These five are:

1. Vehicular circulation and parking,
2. Proposed shuttle system & intercept lots,
3. Potential recreational and transit rail service,
4. Improved bikeways and pedestrian paths, and
5. Proposed coordinated approach, and financing.

¹ Original research and analysis for the transportation section of this report have been provided by the consulting teams of Fehr & Peers, *Transportation Analysis Report Beach Area/South of Laurel Master Plan*, (April, 1997) and Michael G. Jones, *Parking and Transportation Management Plan*, (April, 1997). Additional information was provided by: *Beach Area Transportation Study* (1986), and *Beach and South of Laurel Area Parking Study* (1991).

2. Goals

The goals of this planning effort are fourfold:

- a. to facilitate access to the Beach and South of Laurel while reducing reliance upon the automobile,
- b. to propose a staging of development activity which both allows for expansion and encourages alternative modes of transportation,
- c. to devise a management approach which:
 - ensures coordination among commercial expansion, recreational activities, and neighborhood protection,
 - manages the streets, public rights of way, and gateways as an irreplaceable resource, and
 - clearly links pricing, parking and transit strategies.
- d. to improve linkages between the Beach and the Downtown.

3. Central Premise

The central premise is that the beach area of Santa Cruz is a magnificent and irreplaceable resource which needs clear and sensitive management of its future. Central to this future is the comprehensive management of access, circulation, parking and the appearance and functioning of public streets and private spaces.

The scale and complexity of this program requires the close coordination of public and private investment strategies and timetables. To ensure success, a public/private coordinated approach is recommended.

4. Planning Considerations

There are a series of planning considerations which must be acknowledged in the development of a transportation management strategy for the Beach area of Santa Cruz. They are:

- Physical constraints,
- Seasonal Surges: Parking Issues,
- Seasonal Surges: Circulation Issues,
- Linkage between Constraints & Incentives,
- Public Streets as Public Spaces.

Physical Constraints

The major visitor draw to the City of Santa Cruz – the Beach and the Boardwalk – are located in what is essentially a cul-de-sac at the end of the roadway system. The result of this fact is that access to the beach area is limited to a tightly circumscribed number of entryways through which the majority of traffic must flow.

As the following map documents, almost 60% of the visitors to the Beach area arrive from Highway 17 and follow Ocean Street to the beach. Another 20% arrive from the South

and exit Highway 1 at Morrissey Boulevard and funnel into Ocean Street at Soquel.² Thus, Ocean Street provides vehicular access for approximately 80% of visitor traffic.

The physical constraints presented by a cul-de-sac are heightened by the physical topography of an oceanside basin shaped by the heights of West Cliff and Beach Hill to the north and west and the watercourse of the San Lorenzo River to the east. This results in two additional entry points – Pacific Avenue and Beach Street which intersect at the entry to the Wharf.

These physical facts are of enormous importance in planning for this area, for the number of possible vehicular approaches are extremely limited. The impact of this is reflected in differing levels of congestion at contributing intersections. One of the challenges of this transportation management plan has been to identify the maximum potential impact of proposed development on these intersections and identify acceptable ways of mitigating it.

Another one of the challenges has been to **start placing realistic emphasis on alternative modes of transportation**. This analysis addresses the importance and necessary components of a shuttle system, the potential for increased rail access, and a two-way bikepath on Beach Street. While some of the proposals will be more long term, such as rail, and some— like pedestrian and bike improvements will only serve a small fraction of the population – it is vital that the City put in place a coordinated, long-term strategy which integrates these options into long-term solutions.

Seasonal Surges: Parking Issues

The transportation and parking demands of the Beach area are subject to strong peak seasonal surges as well as extended season weekend demand. **This type of demand creates a tension in planning between requiring appropriate capacity but not overbuilding to meet periodic peak demand.**

Creating a balance between the parking demand and supply is all the more important in the Beach area where the amount of land is limited and where, in season, residents, visitors and employees compete for space. This fact goes to the major goal of this Plan which is the need to extend the season of the Beach.

For that reason, this transportation analysis will treat the **public parking supply as a major public resource** and recommend policies which are designed to:

- protect residential neighborhood parking,
- encourage employee parking at remote lots/garages, and
- manage on-street metered parking as a **major public resource**.

The **private** parking supply will be addressed as a valuable and essential resource crucial to the revitalization of the Beach area. The major private parking supply is consolidated in the Main Beach and River Parking Lots. The operation and management of these lots:

- play a vital role in the appearance and functioning of Beach Street,
- impact the viability of residential land uses in the Beach Flats and on Second Street, and
- impact circulation and access on Beach and Riverside Streets.

² Fehr & Peers, 2nd draft, *Beach Area/South of Laurel Master Plan: Transportation Analysis Report*, [Report] April, 1997, Figure 18, "Regional Trip Distribution: Beach Area Trips", p.71.

Regional Trip Distribution

For that reason, this study will recommend the implementation of staged improvements to these lots which include:

- interim improvements to the access and operation of the Main Beach lot, and
- retail/garage development on the Main lot in response to market support.

Landscaping standards will also be proposed for new or expanded surface lots and garages.

Seasonal Surges: Circulation Issues

Transportation analysts have developed a “rule of thumb” called the “**peak design day**” which is an accepted industry standard for evaluating traffic and parking demand impacts typically associated with a high concentration of seasonal, recreational/ entertainment uses. This peak design day represents the **20th busiest day of the year**, and has been identified for Santa Cruz as the Easter Weekend in the Fehr & Peer’s study (p.15).

This transportation planning approach protects public jurisdictions from overbuilding to meet peak demand, *but may also result in not adequately meeting projected demand for 19 of the busiest days of the year.*

In Santa Cruz, these 19 days represent most probably part of every weekend between Memorial Day and Labor Day. This means that sometime on every summer weekend, there may be some intersections functioning at Level of Service E or F during peak periods.³ Thus, there will be congestion at some intersections during periods of peak demand both now and in the future.

This study regards this periodic congestion not only as a constraint but as **an opportunity** to encourage visitors to avail themselves of the proposed shuttle system. For that reason, recommendations will be offered on how the shuttle system can benefit from this reality.

Linkage Between Constraints & Incentives

To encourage alternative modes of arrival, there must be a **clear and a clearly perceived linkage** between incentives and constraints. For that reason, this study recommends a careful calibration between meter rates and fines, and the pricing of the shuttle and off-site intercept lots.

Additionally, there should be a **clear relationship between cost and convenience** – with parking closest to the beach the most expensive and the furthest away the least.

For this reason, this study will also recommend that the shuttle be free in its start-up stages, and will encourage increased bike patronage through a continuous two-way bike lane, propose an innovative hotel/bike program, and the location of bike parking convenient to the Wharf.

Public Streets as Public Spaces

The street system in the Beach functions primarily to move traffic into, through, and out of the area. This is a critical and primary function. However, the street system also represents a substantial investment by the City in major infrastructure.

³ Level of Service, as defined in the *Highway Capacity Manual Special Report 209* for urban streets [p.11-14].

In addition to functioning as a traffic circulation base, the street system should be viewed as a **visible signature for the City, a stage for local serving events, and a revenue source which merits careful management.**

In the Beach area, the streets have the possibility of extending the open space and providing key linkages between primary attractions such as the Wharf and the Boardwalk and the Downtown. They should also reinforce the commercial function of the business area and provide design protections to residential neighborhoods. As such, the design of the streets, particularly Beach Street and Pacific should maximize their contribution to the overall appearance and functioning of the area.

These principals are clearly illustrated by the City's recent completion of improvements to the Wharf entryway and implementation of the Beach Street Promenade.

It is the intent of this study to support and maximize the City's existing investment through recommendations for intersection improvements and the creation of attractive gateways, management of the public on-street parking supply and proposals for management of the streets – particularly Beach Street – as public open space.

The street system thus provides the City **an opportunity to design and manage it as a major public space** – with strong and attractive gateways – linking its marquee attractions of the Beach, Wharf and Boardwalk more effectively to each other and to the downtown.

For that reason, this study will offer traffic management, urban design, and recreational management recommendations for the main arterials of Pacific Avenue and Beach Street which will enhance the overall vitality and functioning of this area for both local resident and visitor alike.



B. POLICY CONTEXT FOR TRANSPORTATION RECOMMENDATIONS

Through the intensive planning efforts of the past decade, the City of Santa Cruz has identified and adopted a series of policy decisions which are to guide the future development of specific transportation recommendations.

This adopted policy framework, as expressed in the *General Plan and Local Coastal Program, 1990-2005* (adopted 1992) and in the *Beach Area Plan Strategy*, (adopted 1996) identify the goals which the following transportation recommendations are to achieve.

The following clearly identifies the policy foundation for the specific program elements which will be proposed, and against which they should be judged.

1. General Plan Recommendations

While the *General Plan* recommendations pertain to the City of Santa Cruz as a whole, the following five “Circulation Element Goals” have particular relevance to the Beach and South of Laurel area which provides the basic circulation framework for the City’s greatest traffic generators – the Beach and the Boardwalk.

GOAL C 1: Develop a comprehensive, multi-modal circulation planning program that takes as its highest priority reduction of automobile trips by the creation of viable alternative transportation modes, effective transportation systems management programs, and integration of land-use and circulation planning.

GOAL C 2: Develop and promote pedestrian travel as a viable transportation mode by developing and maintaining a safe, comprehensive, convenient, accessible and aesthetically pleasing pedestrian system.

GOAL C 3: Develop a safe, convenient and effective bikeway system that promotes bicycle travel as a viable transportation mode and connects work, shopping, schools, residential and recreational areas.

GOAL C 4: Aggressively pursue development of a comprehensive and integrated mass transit system including buses, paratransit and rail transit/fixed guideways to provide increased mobility in the community.

GOAL C 5: Maximize the efficiency and safety of the existing road system while ensuring that it accommodates all modes of travel, operates at an acceptable level of service, and is not expanded unnecessarily.⁴

In specific recommendations for the area, the *General Plan* states:

“The transportation system must serve a number of purposes. Streets are important linkages to the beach, downtown and residential neighborhoods. The street system should endeavor to separate tourist from local traffic. Tourist traffic needs to be directed to and through collection and distribution points in order to move large volumes of visitors. Local streets should be designed to discourage tourist traffic. Additionally, landscaping and other design techniques should develop streetscapes that

⁴ City of Santa Cruz, *General Plan – 1990-2005*, I, p.141.

link the Beach to Downtown along Pacific Avenue and other major travel corridors, the Downtown neighborhood, and the San Lorenzo River. [I.p.112]”

Other specific recommendations which are directly relevant to this study state:

“As part of the overall traffic improvement program in the Beach Area, improve the appearance and traffic flow of the Beach Street/Municipal Wharf intersection.” [II, 3.9,p.7]

“Minimize traffic conflicts within the Beach Commercial subarea; identify a site for peripheral parking opportunity and a beach shuttle service to the Beach Area.” [II, 3.10, p.7], and

“Create a visual and functional link between the Boardwalk and the Municipal Wharf, along the length of Beach Street.” [II, 1.3, p.5]

2. Adopted Plan Strategy Recommendations

The adopted *Beach Area Plan Strategy* outlined a broad series of transportation and planning goals to be applied in the Beach area. The four major transportation goals agreed upon are:

- 1) creating a transportation system which encourages alternative forms of transportation and alternative routes to the Beach,
- 2) preventing visitor intrusion into neighborhoods,
- 3) linking the Beach Area with the Downtown, and
- 4) providing alternative transit modes and parking to accommodate anticipated recreational and commercial improvements. [p.30-37].

The *Plan Strategy* specifically encouraged alternative transportation modes such as shuttle service and improved bicycle and pedestrian access. In addition, it recommended the:

- development of a multimodal transportation hub,
- the establishment of signage to promote alternate beach access routes to limit increased traffic impacts on lower Ocean Street neighborhood,
- the promotion of rail access to the Beach,
- the establishment of a formal funding mechanism to promote transit,
- the examination of establishing a parking assessment district in the Beach and South of Laurel to provide new resources to construct additional parking, and
- the establishment of the South of Laurel as a pedestrian friendly, urban, mixed use environment.

3. City Council Directives

In adopting this Plan, the City Council directed that:

- all of the proposed transportation management measures be implemented as soon as possible – particularly the shuttle and remote lots, the Depot lot, electronic signage and meter management, the bikeway, and roundabouts,

- in any case, implementation of transportation management measures is to precede any potential Boardwalk expansion or commercial expansion on the Main Beach parking lot,
- the City should aggressively pursue outside funding sources for alternative transportation projects,
- a continuous two-way, year-round, east-west bikeway on Beach Street and across the San Lorenzo River is to be a high priority,
- a cost-benefit analysis should be prepared for a possible parking structure at the Depot site to possibly accommodate a natural history museum,
- protection of routes not already designated as coastal access routes which are not included in the planning area, such as Chestnut Street, is critical, and specific measures should be developed for their protection,
- if, through a future planning process, the realignment of Third Street is evaluated, the City Council recommends considering an alternative approach to buffering the Beach Flats residential neighborhood from commercial activity and heavy traffic, such as landscaping and other possible mechanisms, and also including the possibility of eliminating commercial parking within the Beach Flats residential area.

C. SUMMARY OF POLICY FINDINGS

The adopted policies listed above are designed to provide a policy basis for a comprehensive transportation management strategy which encourages alternative forms of transportation and reduces reliance upon the automobile. They emphasize the appropriate role which a transit/shuttle system can play, and recommend the establishment of periphery parking and of a safe and effective bikeway.

In addition, these circulation policies identify the importance of linkages between the major assets which the City possesses – the Beach area and the Downtown, and the Municipal Wharf and the Boardwalk. They also identify the important role which design and landscaping can play in creating visual linkages in the treatment of major arterials.

These policies seek to limit increased traffic impacts both in the directly adjacent neighborhoods of Beach Hill and Beach Flats, as well as in the Lower Ocean Area through the promotion of alternative routes and peripheral parking, and to establish the South of Laurel as a pedestrian friendly urban area accessible through various forms of transportation.

Finally, these policies recognize the importance of establishing a formal funding mechanism to support recommended improvements such as transit and additional parking resources.

In the following recommendations, a transportation planning approach will be offered which acknowledges the essential role of the automobile and suggests both intersection and parking improvements, but which balances this reality with pragmatic recommendations for an effective shuttle system, a two-way bike path on Beach Street, and identifies the potential for rail access in the future.



XII. CIRCULATION: EXISTING CONDITIONS & RECOMMENDATIONS

XII. CIRCULATION: EXISTING CONDITIONS & RECOMMENDATIONS

A. OVERVIEW & APPROACH

1. Factual Context for Transportation Recommendations

The factual context for the transportation recommendations which follow is provided by the *Beach Area Plan Strategy* (1996), the *South of Laurel Area Plan Strategy* (1995), *The Beach and South of Laurel Area Parking Study* (1991), *The Beach Area Transportation Study* (1988), and *The Beach Street Promenade Design Plan* (1991).

Much of the analysis which follows is excerpted directly from: *Beach Area/ South of Laurel Master Plan: Transportation Analysis Report* (April, 1997) by Fehr & Peers, and their *Executive Summary* (March, 1997); and the *Parking and Transportation Management Plan for the Beach Area/South of Laurel Master Plan Area* (April, 1997) by Michael G. Jones.¹

2. Development Projections: Basis of Circulation & Parking Analysis

Development Projections: Beach & South of Laurel Area Plan Strategy

Development projections are the factual basis for analyzing circulation and parking impacts. The potential developments discussed in this plan provide the basis for the current analysis of potential traffic impacts in these areas.

The major specific commercial development proposals for the Beach area include, at buildout:

- a 250-275 room conference hotel facility at the La Bahia site,
- less than 125,000 square feet of new commercial development on the Main Beach parking lot, (amount to be determined through a community-based planning process), and
- 2.5 acres of city park.

In the South of Laurel area, already approved development – which includes 194 residential units and the 32,000 square foot police station – plus new opportunity sites provide for a total of 117,000 square feet of commercial space, and 186 residential units.² This total reflects a recent reduction of 84,000 square feet in the commercial development category due to planning considerations.

Since these are developments which are proposed within a planning context and do not represent actual development submissions, many of these projects are best described as “fluid”, lacking both specificity and certainty.³

¹ Copies of these reports are available at the Department of Planning.

² Appendix A.

³ Michael G. Jones, draft *Parking and Transportation Management Plan for the Beach Area/South of Laurel Master Plan Area*, [Plan] p.6.

This lack of certainty poses a challenge to the plan in terms of quantifying impacts, and so the most conservative analytical method is employed in order not to under-assess potential transportation requirements. This approach also fulfills the requirement of the Environmental Impact Report for assessment of maximum effect.

Maximum Build Out: Basis for Circulation & Parking Analysis

In order to assess the fullest possible transportation impacts of potential development in the area, a parking and circulation impact analysis of “maximum build-out” was carried out.⁴ In addition to analyzing maximum build-out of these potential developments, “background” regional traffic growth was also factored in. This means that an additional 9% total traffic growth was added to the design day traffic volumes.⁵

This type of maximum case analysis allows a jurisdiction to anticipate the greatest possible traffic impact – or worst case scenario – associated with potential developments, and identify the maximum extent to which mitigation measures may be required.

In terms of using maximum build-out as a basis for analysis, two things are important.

1. that in terms of timing, build-out is projected to occur sometime between year 10 and year 15, and
2. many of the projects to be constructed will most likely be less than the maximum allowable and may have lower traffic and parking impacts.

Therefore, some of the mitigation measures which are identified – based on worse case scenario – are not required until a certain level of development has occurred. In order to identify these traffic and parking “trigger points” and identify funding strategies, a second study was carried out.⁶

B. EXISTING CONDITIONS: CIRCULATION

1. Overview

The analysis of existing circulation conditions found that:

- there are 5 North-South Arterial/Collectors which serve the Beach and South of Laurel. They are: Ocean Street; Riverside Avenue; Front Street; Pacific Avenue, and Washington Street.
- there are also 5 East-West Arterials/Collectors. They are: Laurel Street/Broadway; Barson Street; San Lorenzo Boulevard/East Cliff Drive; Third Street; Beach Street; and Bay/West Cliff Drive.
- the creation of a one-way loop through the Boardwalk area has been successful in increasing traffic capacity and decreasing congestion.

⁴ by Fehr & Peers.

⁵ This is a standard industry practice. Fehr & Peers, *Report*, p.84.

⁶ by Michael G. Jones and Associates.

- on the “design day”, 6 of the 16 intersections which serve the Beach and South of Laurel areas operate at a Level of Service D or worse. Two unsignalized intersections – Beach/Cliff and Pacific/Washington operated at LOS F and E respectively. [See following Figure]
- in the South of Laurel, the peak period is the afternoon commute (4-5 pm), while for the Beach and Ocean Street corridor, it is early Saturday afternoon (2-3 pm).

The function of the “existing conditions analysis” is to identify the major arterials and their primary intersections and to assess how well they are currently functioning.

The analysis revealed that currently two of the intersections – Beach/Cliff and Pacific/Washington are functioning below an acceptable level of service on peak weekends.

City of Santa Cruz *General Plan* policy has identified LOS D as the minimum level of acceptable service on “peak design day” in the South of Laurel. A policy decision has been made to accept LOS E on the Ocean Street corridor. This analysis indicates that improvements are needed to these intersections **now**, before new development impacts occur.

Additionally, the analysis provides an early warning that the four intersections currently operating at LOS D or worse on a peak design day – Beach/Pacific (Wharf intersection); Riverside/San Lorenzo; West Cliff/Bay, and Ocean/East Cliff – will probably be in need of mitigation once a moderate level of development occurs.

In the South of Laurel, the analysis found that the intersections along Laurel, particularly the Laurel/Front intersection, are more heavily impacted by traffic on the peak weekday because proposed land uses in this area are of a nature which will generate more weekday trips than weekend traffic.

2. Analysis of Development Impacts on Circulation: Six Alternatives

In order to analyze the development impacts on circulation at full build-out, different “trip generation rates” were calculated for the various types of land uses proposed for the Beach and South of Laurel.

The findings were that of the 1,369 trips on a peak weekend afternoon peak hour, the Beach area accounts for 75% of total trips; the South of Laurel for 17%; and already approved projects (such as the police station) for 8%.⁷

Based on this full build-out, intersection performance was analyzed according to six different possible combinations in order to identify circulation patterns with the least impact.

Four of these combinations involved changing the circulation plan or trip distribution, and two involved changes to the land use plan.

⁷ Report, p. 60-68. “Executive Summary”, p.i.

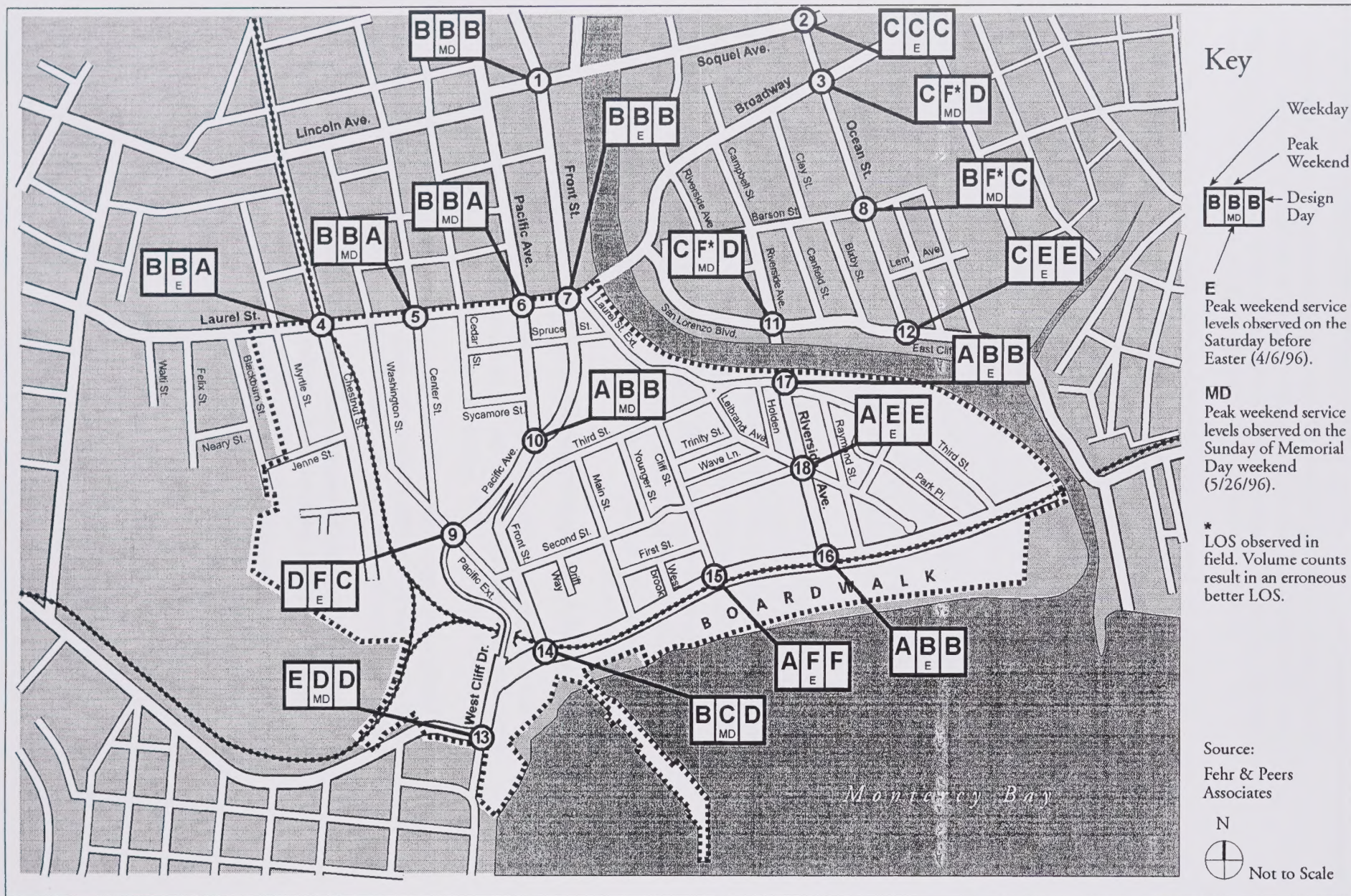


Figure 49

PM Peak Hour Levels of Service

The six alternatives analyzed are:

Alternative	Street Network	Trip Distribution	Land Use
1. Base Alternative	Existing ¹	Dual-access ²	Master Plan as proposed
2. Two-Way Alternative	Two-way circulation for Beach between Riverside and Pacific and Riverside south of Third	Dual-access ²	Master Plan as proposed
3. La Bahia/Dream Inn Switch	Existing ¹	Dual-access ²	Master Plan, with uses at Dream Inn and La Bahia sites switched
4. Scaled-back Boardwalk expansion	Existing ¹	Dual-access ²	Master Plan, with Boardwalk expansion scaled back by 50,000 square feet (50%)
5. East-side routing	Existing ¹	East-side access ³	Master Plan as proposed
6. East-side routing with new bridge	Existing ¹	East-side access ³	Master Plan as proposed
¹ Existing network includes the planned Third Street realignment and the re-opening of the West Cliff Bridge to southbound traffic. ² Dual access refers to beach area trips utilizing both the Ocean Street and Front-Pacific corridors ³ East-side access refers to beach area trips using only the Ocean Street corridor to access the beach area.			

The analysis revealed that **Alternative 1**, using the existing one-way loop circulation network with dual access was preferable.⁸ Dual access refers to directing Wharf/Beach going visitors off Ocean Street at Soquel over to the Front and Pacific corridors. This would result in attracting approximately 10% of beach going traffic toward the new parking facility proposed for the Depot site, while relieving additional congestion on Ocean Street.

Included in the background assumptions of this analysis were the re-opening of the West Cliff Drive Viaduct (westbound traffic only) and the re-opening of the Laurel Street Extension to two-way traffic.

3. Intersection Improvements Needed for the Approved Plan

The following intersection improvements were identified as needed to ensure improved service levels at full build-out. Eight of the 16 intersections studied will require some form of mitigation to improve operating conditions to LOS D or better.

⁸ Fehr & Peers, "Executive Summary", p.iii.

- Intersection modifications at Pacific/Beach and Pacific/Washington are recommended as design improvements, but are not required as mitigations.
- Signal re-timing and new left turn phasing at the Front/Laurel intersection.
- Intersection modifications at Ocean/Broadway and Ocean/East Cliff.
- New traffic signal at Riverside and Leibbrandt.
- Intersection modification and new signal at West Cliff/Bay Street, and
- New traffic signal at Beach/Cliff for pedestrian safety.⁹
[See following Figure: Proposed Roadway Improvements]

4. The Two-Waying of Beach Street

The opportunities and challenges presented by the two-way of Beach Street were analyzed. The initial analysis identified as an option the re-opening this street to two-way traffic. The advantages presented in this approach were:

- reducing traffic congestion and impacts on Third Street and Beach Flats,
- improving outbound conditions along a segment of the Ocean Street corridor, and
- increasing connectivity between the beach/wharf area and the downtown using the Pacific Avenue corridor.

Additionally, important land use and economic development goals could be achieved with the two-way of Beach Street. There were, however, several practical constraints:

- increased congestion at the Wharf intersection,
- the capacity of the existing street width to accommodate two-way vehicular traffic as well as a two-way bike path and the railroad traffic, and
- the recent installation of sidewalks and curbs which would have to be removed.

This study therefore recommends that if congestion at the Wharf intersection can be successfully addressed, it would be appropriate to review the status of Beach Street as new development occurs, and carry out additional substantive analysis.

Deferring a decision regarding the two-way of Beach Street until significant development occurs – such as a conference hotel facility – allows the City to carry out the necessary engineering analysis, consult with the affected businesses and property owners, and permits an opportunity to develop a public/private cost sharing approach toward implementation.

⁹ For a complete description of the proposed improvements, consult Fehr & Peers, “Executive Summary”, p.iv-vii, and Michael G. Jones, *Plan*, p.7-8, and Table 9, p. 29-33.

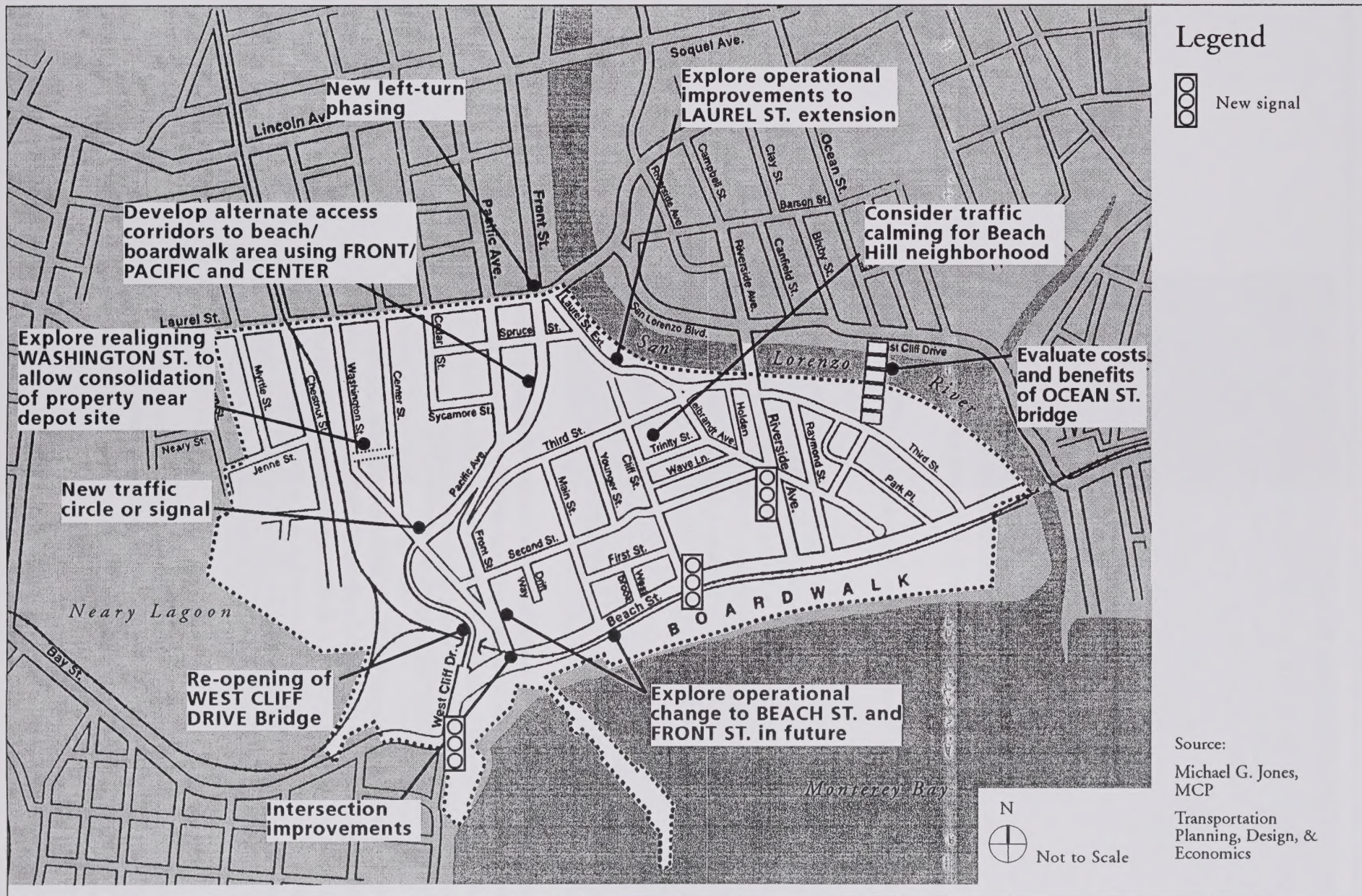


Figure 50

Proposed Roadway Improvements

5. Pacific Avenue: Gateways & Traffic Circles

Pacific Avenue plays a special role in the City of Santa Cruz. It functions not only as the City's "Main Street", and as a crucial link between the Downtown and the Beach area, but also as a principal gateway to the Wharf and the Monterey Bay.

The *Downtown Recovery Plan* (1991) recognized the importance of Pacific Avenue in the reconstruction of the Downtown, and recommended it be designed as a "major public open space" which could accommodate important civic events. (p.7)

The *South of Laurel Plan Strategy* (1995) also pays special tribute to the importance of Pacific Avenue in terms of linking the South of Laurel Area to the retail activity of the Downtown and the recreational activities of the Beach area and the Wharf. It recommends that the landscaping and design of the downtown area be extended along the length of Pacific Avenue to the Front Street intersection, and that a Beach access design theme is recommended for the continuation of Pacific. [p.23-4] This study strongly supports that recommendation.

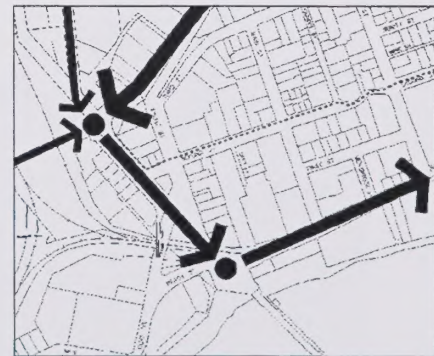
Over 20 years ago, in 1977, the *Beach Area Design Plan* identified the entrances to the Beach area as:

"typified by billboards, garish signs, gaudy motels, parking lots and confusing intersections...**The most important intersection in the Beach Area, at the Wharf and Beach Street, is a confusing and ugly desert of concrete islands, power poles and parked cars.** Washington and Front Streets, approaching the Wharf combine to create a vast open area given over almost entirely to cars." [p.7]

While substantial improvements have been made to the Wharf entry, the basic analysis of twenty years ago holds true today. Therefore, the recommendations in this plan focus on that portion of Pacific Avenue between Washington Street and Beach Street which functions the principal gateway to the Wharf and the Beach.

As the following photos illustrate, this section of street – which currently projects an overwhelming impression of cars and concrete – provides the City of Santa Cruz with a significant opportunity to develop a suitable gateway to the magnificent Monterey Bay, while at the same time addressing the major traffic delays which are presented by the two intersections of Pacific/Washington and Pacific/Beach.¹⁰

The reports indicate that the reopening of the West Cliff Drive bridge will ease some of the existing congestion problems at the Wharf and Pacific/Washington intersections. Additionally, they have both recommended that the City explore the possibility of installing **traffic circles**¹¹ or roundabouts¹² at the Wharf intersection and at the intersection of Pacific and Washington – which would also act as an entry to the proposed Depot parking lot. Should this policy be pursued, the necessary traffic and design study of this area would have



¹⁰ The transportation studies have identified the intersection of Pacific and Washington as already operating at LOS F on peak weekends.

¹¹ "Executive Summary," p.vii.

¹² Jones, *Plan*, p.8.

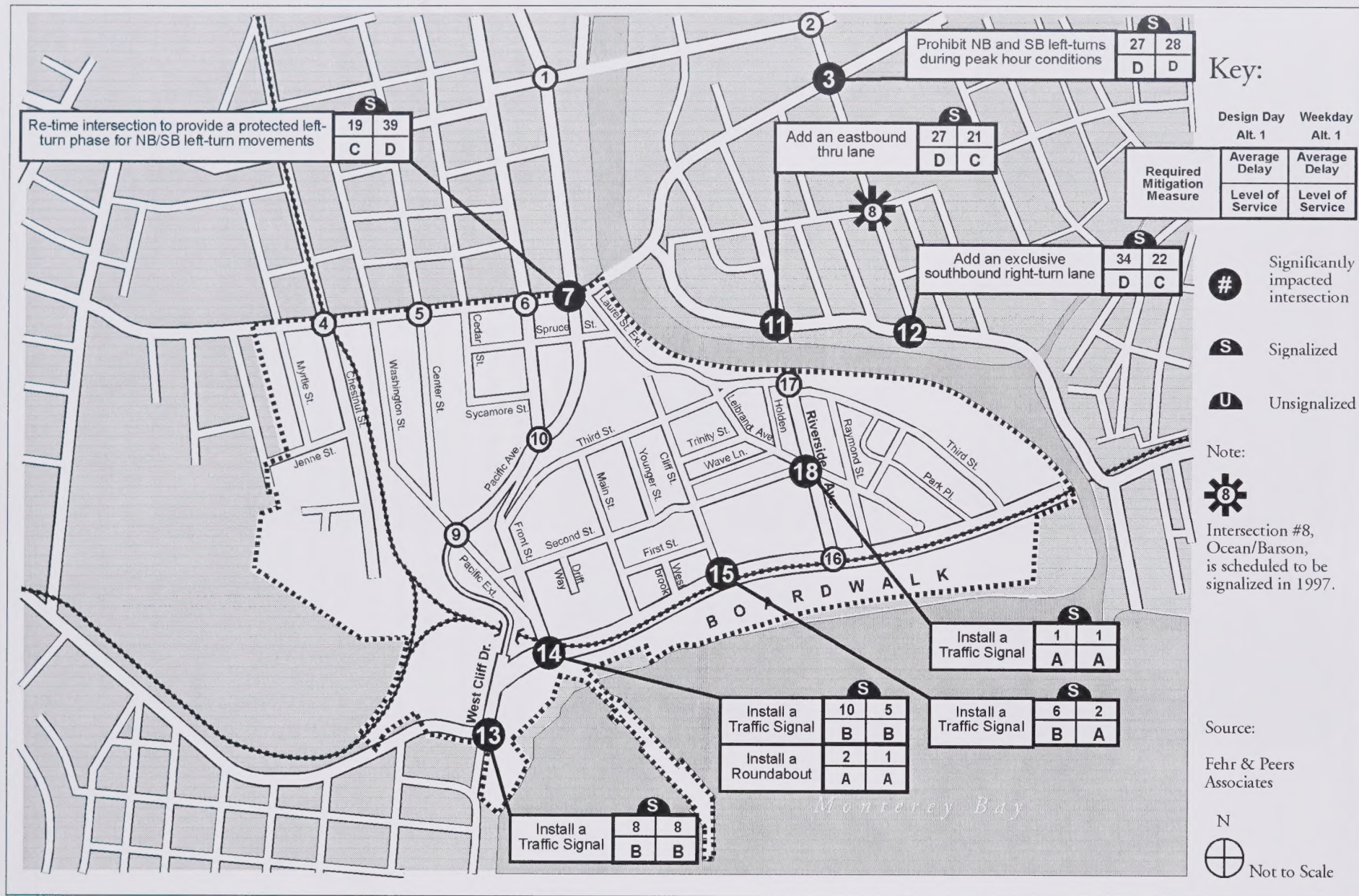


to analyze any potential trade-off between efficiency and safety, and also analyze the intersection at Second and Pacific within the overall proposal for this improvement. [See following Figure]

It is recognized in the transportation industry that modern roundabouts can manage traffic flows with a lower level of delay than signals. However, in the Beach area, there are concerns about possible conflicts at the Wharf entrance and the total amount of space available for the proposed circles which will have to be addressed. Care will also have to be taken to ensure bike and pedestrian safety.

In terms of urban design and in the creation of a suitable gateway to the Monterey Bay, traffic circles – as the following illustration reveals – are far preferable to overhead traffic signals. They offer the opportunity to both manage traffic more evenly and establish a clear and elegant entryway.

Within the context of these recommendations, such an approach would also facilitate the management of Pacific Avenue and Beach Streets as major public open spaces, and begin to integrate the recent improvements at the Wharf entry with the remainder of the Beach area.

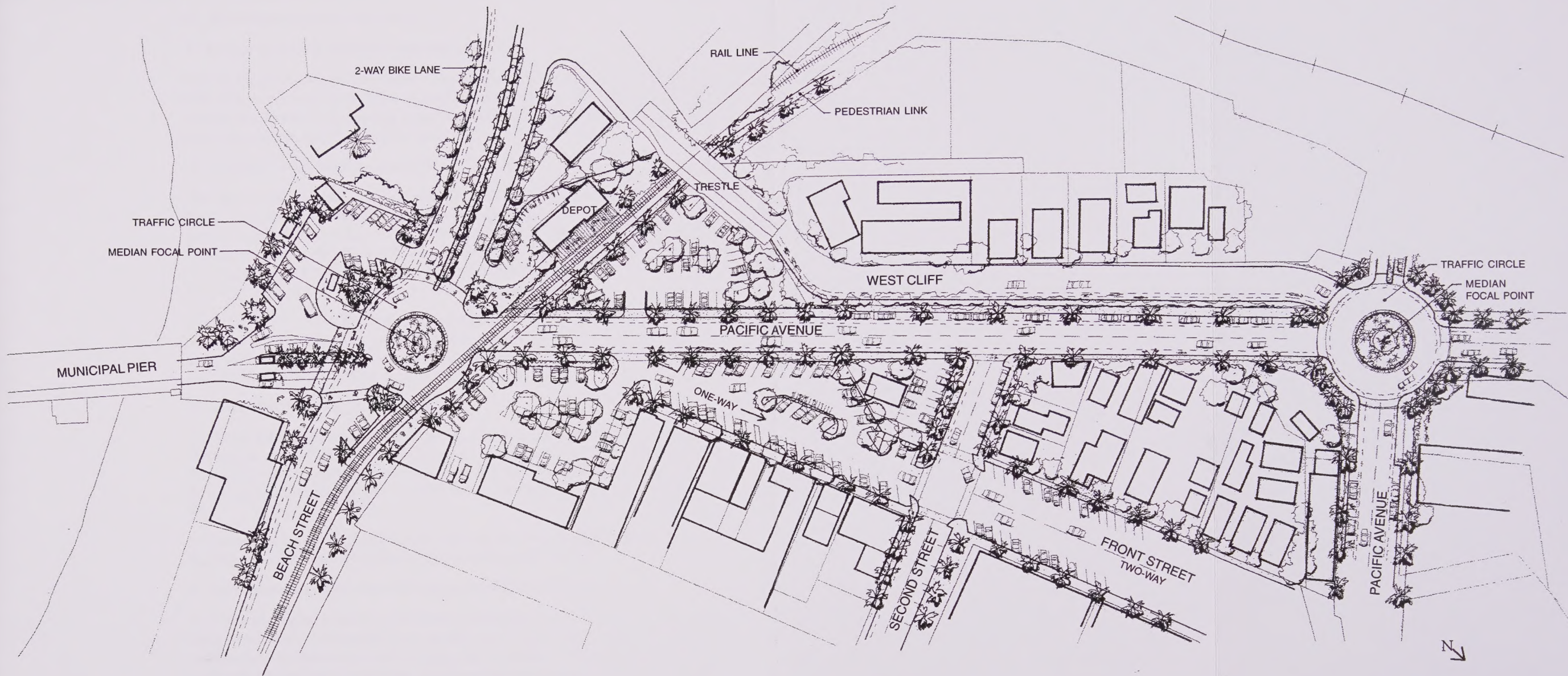


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City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 51

Proposed Mitigations



C. RECOMMENDATIONS: CIRCULATION

1. Recommendation: Maintain One-Way Loop

This study recommends that Alternative 1, continuing the **one-way loop circulation network with dual access** as the preferred alternative in the short term. This circulation pattern achieves the objective of operating at an acceptable level of service while promoting an alternative route to the Wharf and the Beach.

2. Establish "Dual Access" Approach

The "dual access" approach, that is directing Beach/Wharf goers off of Ocean at Soquel and down Front and Pacific, will not only reduce some of the congestion on Lower Ocean and provide some relief to the adjacent neighborhoods from additional impacts, but equally importantly serve to direct Wharf/Beach goers to the peripheral parking lot proposed for the Depot site. This traffic pattern also begins to integrate the downtown with the Beach by providing a convenient opportunity to visit the Downtown.

It is important to realize that this approach represents a modification of existing policy which has been to contain the majority of beach going traffic on the Eastside, and direct visitors down Ocean Street. Clear and attractive signage will play an important role in successfully directing Wharf/Beach goers to the proposed Depot lot.

3. Install Traffic Circles [Roundabouts]

This study also strongly recommends the examination of the Pacific Avenue corridor between Washington and the Wharf for the development and installation of **traffic circles** if feasible. Should this remedy not be practical, it is strongly recommended that these two intersections be redesigned, not only to improve traffic flow, but as **major gateways to the Monterey Bay**.

It is recommended that the Pacific Avenue/Washington Street roundabout be installed first and monitored to assess the circulation improvement and/or impact.

4. Re-evaluate Two-Way Beach Street as Development Occurs

As major development occurs in the Beach, particularly a conference hotel facility, this study recommends re-evaluating the re-opening Beach Street to two-way circulation, if the conflicts between the cars, railroad and bikes can be resolved. The installation of a traffic circle at Beach and Pacific should help to facilitate traffic movements in a two-way network.

5. Protect Other Corridors Affected by Growth in Beach-Related Traffic

It can be anticipated that additional traffic corridors, such as Chestnut Street, which are not designated as coastal access routes and which are not included in the planning area, will be affected by growth in Beach-related traffic. Specific measures should be developed for their protection.

**XIII. PARKING: EXISTING CONDITIONS
& RECOMMENDATIONS**

XIII. PARKING: EXISTING CONDITIONS & RECOMMENDATIONS

A. OVERVIEW AND APPROACH

This chapter on the existing conditions and recommendations for parking is to read be in conjunction with the discussion of policy context and circulation. The basic factual information and analysis are based on the earlier cited sources.

B. EXISTING PARKING CONDITIONS

1. Parking Supply

Four geographic areas — Beach Hill/Beach Flats, the Wharf, South of Laurel and River Flats — are included in the calculation of the parking supply for the Beach area and South of Laurel. The parking inventory is estimated to total approximately 7,850 parking spaces which are distributed in the following manner: about 1,700 on-street spaces; 650 residential permit parking spaces; 3,000 publicly available off-street spaces; and 2,500 private residential or commercial off-street spaces.¹

The two largest sources of public parking supply are in the private lots owned by the Seaside Company, known as the Main Beach lot and the River lot which provide approximately 2,038 spaces.[See following figure]

The other significant aggregation of public parking is on the Wharf where 430 spaces are available. There are also 666 parking meters in the Beach area.²

2. Parking Occupancy

During the peak design day, parking occupancy in the Beach area is “at capacity” - ranging from 91% to 97% occupied.³ Occupancy in the South of Laurel and River Flats is significantly lower, ranging between 55% and 57%.⁴

The importance of these occupancy rates is twofold:

- there is at present little or no additional parking capacity in the area to accommodate new growth, and
- any increase in visitor demand — even without new growth — may result in a significant spillover into adjacent neighborhoods.

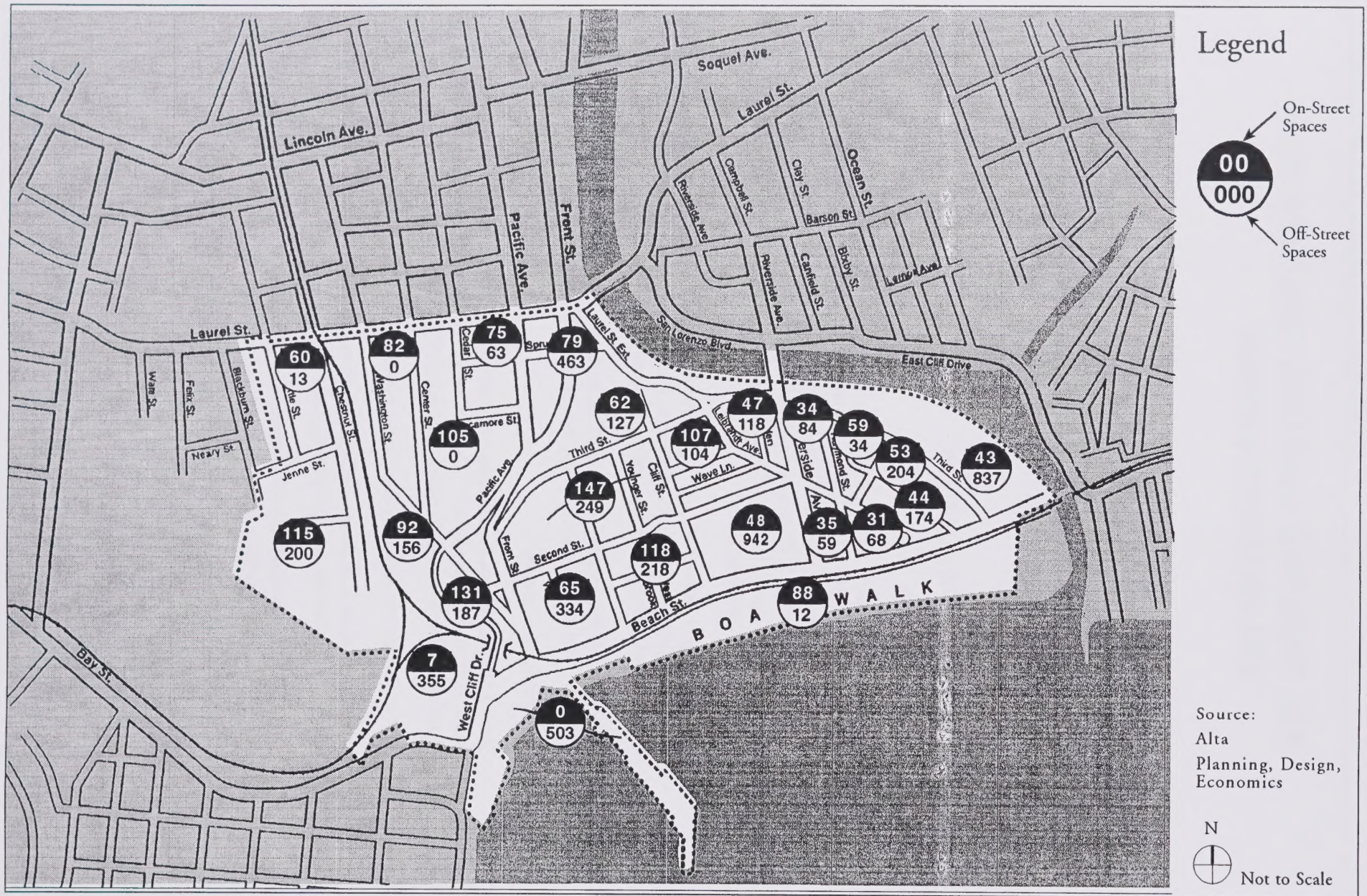
Factored into this occupancy are the approximately 435 spaces which are occupied by employees.

¹ Fehr & Peers, “Executive Summary,” p. viii.

² Matt Farrell, Memorandum, March 14, 1997.

³ Jones, *Plan*, p.10.

⁴ Fehr & Peers, *Report*, Table 2: Peak Period Parking Occupancy, p.26-28.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 53

Existing Parking Supply

C. FUTURE PARKING CONDITIONS

1. Parking Generation Rates

There are different parking generation rates associated with different types of land uses. The highest generation rate is assigned the entertainment uses on the Boardwalk and on the Beach, which ranges from a rate of 12 spaces/1000 sf on a peak weekday, to 15 spaces/1000 sf on a peak weekend.⁵

One key consideration was to identify the number of people and vehicles that had the Beach rather than the Boardwalk, Wharf, or other uses as a primary destination. The reasoning behind this is that it is critical to preserve that parking supply to comply with Coastal Access requirements.

“Based on a variety of sources including the 1994 Visitor Survey, an estimated 13% of all visitors had the beach as a primary destination on a design day, translating into 445 vehicles. An estimated 220 of these vehicles are currently parking in Seaside Company lots. The 300 space depot lot — which is roughly equidistant to the beach — was identified as a method of removing these parkers from the Boardwalk parking and freeing up capacity for future growth.”⁶

For purposes of calculating future recreational/entertainment use demand, a policy decision was made to assign 13.5 parking spaces/1000 sf to Boardwalk expansion and 1.5 parking spaces/1000 sf to the beach and other commercial uses.

2. Parking Supply

The approved Plan significantly reduces the total amount of proposed development and results in reduced parking demand in the Beach/Wharf area. Removal of the Boardwalk expansion results in a parking demand decreased by 1,500 spaces. In addition, reduction of the Main Beach Lot development to less than 125,000 square feet (with a potentially smaller facility resulting from the required community-based planning process) will result in a reduction in parking demand at this site by at least 175 spaces. Elimination of the West Coast Santa Cruz Hotel parking lot for a 150-room hotel reduces peak period parking demand by 49 spaces.

The total impact of the land use changes in the approved Plan is to reduce future parking demand by 1,759 spaces and reduce future parking supply by 1,012 spaces, for a net change of +747 spaces. This net reduction in projected demand avoids the need for the River Lot parking garage and could remove the need for additional parking from the Beach Area. If, through a future planning process, it is determined that a garage is necessary, the reduced demand would allow the construction of a smaller Main Beach Lot garage through a reduction of up to 40% (604 spaces) of the original garage for a total of 942 spaces. The 303 space deficit in the Beach Visitor Area will be met through the shuttle and remote lots.

At issue, is identifying the most appropriate manner in which to provide these spaces — which both meets the need to support development and provide coastal access while not paving over excessive amounts of highly limited beach area land mass.

⁵ Fehr & Peers, *Report*, p.29-32.

⁶ Jones, *Plan*, p 10.

The parking and circulation analyses concluded that the most appropriate way this shortfall can be mitigated is by provision of:

- a 300 space parking lot at the Depot (or other convenient South of Laurel site),
- remote parking in existing and unused spaces in downtown garages (200± weekend spaces)⁷ and/or at the County Government Center lot (450± spaces), and
- shuttle connections between remote parking and the Beach.⁸

D. RECOMMENDATIONS: PARKING

1. Overview & Approach

The central premise of this planning effort is that **“the beach area of Santa Cruz is a magnificent and irreplaceable resource which needs clear and sensitive management.”** Part of that management will be to comprehensively address the issue of parking which will control not only future revitalization in this area and provide public access to the Coast, but possesses the potential to adversely impact the quality of life in adjacent residential neighborhoods.

In devising parking recommendations, three competing goals must be kept in balance. That is:

- making the Beach area accessible to all,
- supporting revitalization whose new uses will require additional parking, and,
- recognizing that the highest and best use of this irreplaceable resource is not surface or structured parking and thus alternative methods of arrival must be encouraged.

A sensitive equilibrium among these goals is mandatory, and can be best addressed by a partnership between the public and private sectors. Each has a vital stake in the future of this area. For the City of Santa Cruz, it is clear that an opportunity exists to improve a major California coastal resource — the Beach and the historic Boardwalk. This area is the “image” of Santa Cruz in the minds of most who live outside its borders, and represents a significant financial resource for the City. It is moreover, with the reconstruction of the Downtown almost complete, the one major remaining area in the City with significant unrealized revitalization potential.

For the private sector, it is equally clear, that to expand the season and remain competitive in the future — as neighboring and other coastal communities improve their attractions —

⁷ Matt Farrell, “Downtown Parking Lot Surveys”, March 19, 1997.

⁸ Fehr & Peers, “Executive Summary,” p.x. and *Report*, p.103; Jones, Plan, pp.12-13.

there must be a significant increased investment in the physical building stock and infrastructure of the area. New retail attractions are needed, and major upgrading of exterior appearance is required.

It is unrealistic to expect either partner to proceed in investing without clear assurances that they share a common goal and a common timeline. For that reason, this study will recommend a proposed management approach and structure. In addition, this study strongly endorses a “sequencing of private and public improvements.” Such an approach allows both the public and private partner to time and calibrate their respective investments in a manner which reduces risk and ensures mutual reinforcement.

The time line identifies:

- Short-term 1-5 years
- Mid-term 5-10 years, and
- Long Term 10 years and beyond

In the short-term, the City with its private partners in the Beach area can develop and implement three parking programs which will be of benefit to the area:⁹

- a. an employee off-site parking program,
- b. increased management of the public on-street parking supply (meters), and
- c. development of a visitor shuttle service/remote lots.

2. Recommendation: Employee Off-Site Parking Program

Where parking is “at capacity,” as it is in the Beach area, and where there is competition at peak periods for available parking, it is both desirable and prudent to “create” — in effect — new capacity by freeing up existing spaces. The parking analysis indicates that approximately 435 spaces in the Beach are occupied by employees. Some of these are private spaces, but many are public. Freeing-up of existing spaces is done most frequently by developing employee off-site parking programs, encouraging employee ridesharing, and levying parking transfer fees on employers. There are already two examples of such programs in existence in the Beach area.

The City of Santa Cruz has already begun to carry out such a program in its management of the Wharf employees off-site parking program. During the peak season, essentially from Memorial Day to Labor Day, employee parking is forbidden on the Wharf on weekends and holidays. A free employee shuttle service is provided to an off-site lot.

A major private employer, the Seaside Company, has in the past operated a peak season employee shuttle service to off-site parking. This frees up approximately 300 spaces from their current number of 1910 spaces allocated between the Main and River lots - or approximately 16% of their total inventory.

⁹ The next section “Sequencing of Development,” will provide a fuller discussion of the proposed improvements for all the time periods.

This study recommends the **development and implementation of a comprehensive, peak season employee off-site parking program** which would address the needs of both large and small employers in the Beach area. It further recommends that the proposed coordinated implementation approach, bring together City agencies and private property/business representatives work together to meld the existing employee shuttle program elements into a comprehensive program which meets their mutual requirements.¹⁰

The freeing up of public parking spaces offers financial benefits for what might be minimal financial costs if the two programs were merged. Wharf gate revenues to the City for FY 95-96 were \$578,400, up from \$420,000 in FY 94/95. Much of that increase was due to the change-over from meters to Gate control which began in August 1994, but it also reflects the benefits of increased management of this resource. For the Seaside Company, each employee space represents on average - \$6/day x 45 days if counting only the peak weekends x 300 employees = \$81,000; or \$6/day x 95 days if counting Memorial Day to Labor Day x 300 employees = \$171,000.

All successful shuttle programs acknowledge the relationship between incentives and constraints. Unlike Europeans, Americans do not willingly choose transit if accessible parking - even very expensive parking - is available. Therefore, for any employee off-site parking/shuttle program to be successful, certain issues must be addressed:

- off-site parking locations must be accessible, secure, and free or priced below alternatives,
- shuttle service must be timely and dependable, and
- the “regret factor” for violations must be high.

It is important that both the City and the business community begin thinking about such a program now, for as the area is revitalized, the proposed land uses — such as conference facilities, retail and boardwalk expansion are very labor intensive and **employee parking requirements will significantly increase.**

3. Recommendation: Increased Management: Public On-Street Parking Supply

The issue of parking meters tends to raise intense emotions among business people and patrons alike. However, clear policies and goals and sensitive but firm enforcement of regulations often results in providing jurisdictions with a management tool in congested areas which can both be priced to reflect the market value of convenience and be used to encourage alternative modes of transportation.

This study recommends that the City of Santa Cruz develop and implement a **meter management program in the Beach and South of Laurel area** which:

- relates the pricing of meters to location and convenience,
- implements new technology — allowing patrons to extend their length of stay,

¹⁰ No costs for this potential program have been factored into the estimate of total costs. It is assumed that some cost-sharing arrangement would be made.

- correlates the pricing of meters to that of off-site parking and shuttle service, and
- provides a revenue stream for needed public initiatives in the Beach area.

This program should be carried out in tandem with a shuttle program which serves remote parking lots.

On-street parking occupancy is at 100% capacity on the peak weekend afternoon in the Beach area. [See following figure¹¹]. Utilization was much lower in the South of Laurel at 55% capacity. 100% capacity means that at peak periods, there is significantly more demand than can be reasonably accommodated. **When meter utilization exceeds supply, fees should be adjusted, and alternative parking and alternative modes of transportation should be encouraged.** There are currently 666 meters in the Beach area, with varying time limits and prices per hour.¹²

Approximately 2/3rds of the meters have time limits which range from 2 to 10 hours and are priced at 75 cents/hour. One-third of the meters have a 12 hour time limit and are priced at 50 cents/hour - which is below market in this high demand area. In essence, the meters which provide the greatest convenience in terms of length of stay, have the cheapest rates.

This study recommends a comprehensive review of the time limits and pricing of the meters in this area. It suggests that:

- electronic meter heads be considered for the Beach area which offers the patrons the ability to extend their length of stay, and offers the City the flexibility of calibrating hours and rates,¹³
- fee schedules for meters be developed which reflects the value of convenience - with meters in the Beach at a higher per hour cost, and
- the South of Laurel area be reviewed for installation of meters which should be priced below those in the Beach. [Approximately 500 could be installed over the next 10 years. Jones, *Plan*, p.41]

One of the goals of this pricing strategy is to encourage Beach goers, who are often more price sensitive than visitors to the Boardwalk, to use the Pacific/Front Street approach and park either at easily accessible and convenient Depot lot or on the meter in the South of Laurel and walk to the Beach.¹⁴

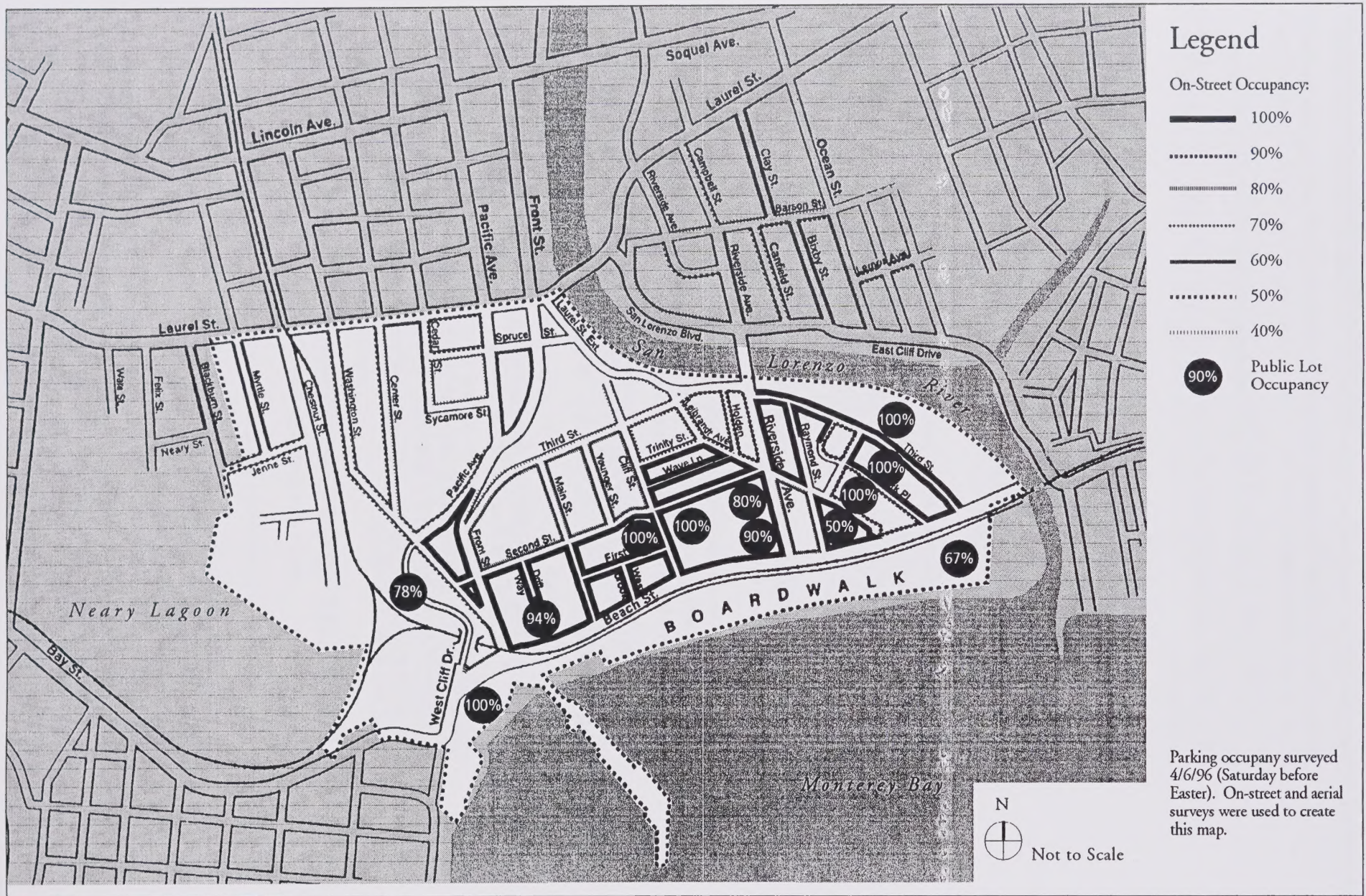
It is instructive to compare meter information between the Beach and the Downtown.

¹¹ Taken from Fehr & Peers, *Report*, 1st draft, Oct, 1996.

¹² Matt Farrell, Memorandum, March 14, 1997.

¹³ Costs could range from \$25/meter using present mechanisms to \$200/meter for new electronic heads. No total has been factored into the total program costs. Director of Public Works, Memorandum, April 18, 1997.

¹⁴ See discussion, Fehr & Peers, *Report*, p.102.



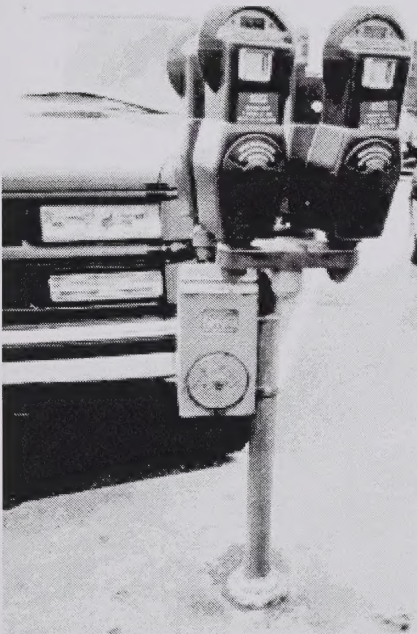
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Figure 54

Existing Parking Occupancy Peak Weekend Afternoon

Issue	Beach	Downtown	Total
# Meters	666	802	1,468
% of Total	45%	55%	100%
Meter Revenue '95-'96	\$510,000	\$406,400	\$916,400
% of Total	56%	44%	100%
Citation Revenue '95-'96	\$393,000	\$593,837	\$986,837
% of Total	40%	60%	100%
# of Citations Issued	22,541	42,829	65,370
% of Total	34%	66%	100%
Collection Rate %	73%	83.4%	



This table reveals that while the Beach has only 43% of the total meters [between the Beach and the Downtown], it generates 56% of total meter revenue — **on a partial year**. All these meter revenues go into the General Fund.

The Downtown, on the other hand, has 56% of the total meters, but generates 44% of the total meter revenue — on a 12 month year. These meter revenues flow to the Downtown Parking District.

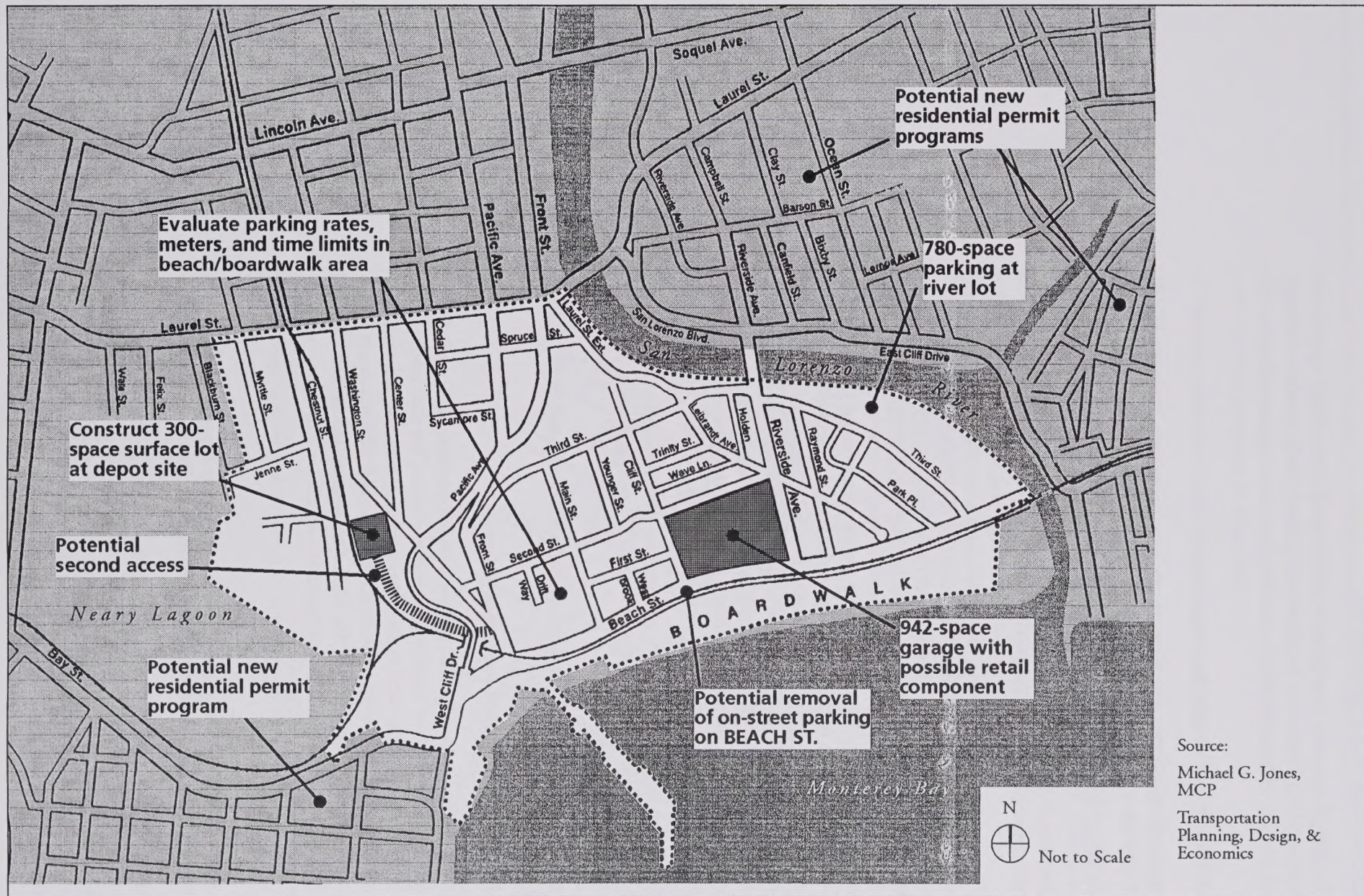
Additionally, the total number of citations issued and the collection rate is far higher in the Downtown. The total number of citations issued in the Beach has dropped dramatically since Fy 90/91 when 28,500 citations were issued, reaching a low of 19,100 in Fy 94/95 when meters were removed from the Wharf and a paid attendant parking program was instituted.¹⁵ In Fy 95/96 citation revenues from the Beach totaled \$393,000 of which 80%, or \$311,400 went into the general fund.

This study recommends that a review be made of the current citation enforcement approach in the Beach area, with a view to managing this area in the same manner as downtown. It also recommends that consideration be given to substantially enhancing the collection rate by **providing collection boxes** at convenient locations which allows violators to pay a reduced fine before leaving the area. Historically, in tourist areas, this approach has worked very well in increasing collection rates.

In implementing any changes in meter or enforcement management, it is essential to **publicize these changes fully**, and develop a program of friendly warnings in the first stage of implementation. Additionally, it is important to address the understandable concerns of the area businesses and be able to demonstrate the benefits which will accrue to the area from these new management policies.

¹⁵ Information in this section was compiled from: Economic & Planning Systems, Inc., draft *Downtown Santa Cruz Parking Study: Phase I: Historical Analysis & Baseline Forecast*, Table II-7, and "Parking Revenue Report, Fiscal Year 95/96.

Meter Management Areas and Residential Permit Areas



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Figure 56

Proposed Parking Improvements

One of the objectives of this plan is to propose recommendations which support the sensitive revitalization of the Beach area for the benefit of the entire City, and to identify potential revenue sources which will provide funding for needed improvements in the Beach.

4. Recommendation: Two Potential Revenue Sources

This study recommends consideration be given to two potential revenue programs which could support revitalization of the Beach and South of Laurel areas, that is:

- the eventual application of a parking district in the South of Laurel, and
- dedication of a portion of parking/citation revenues from the Beach to fund improvements in the area.

To accomplish this second recommendation, this study recommends that a parking/citation revenue baseline be established for the Wharf/Beach and that these revenues be secured for continued support of the General Fund.¹⁶ [In FY 95/96, these revenues totaled approximately \$1,400,000: Meters - \$510,000: Citations - \$311,400: and, Wharf -\$578,000]

It also recommends that the City Council establish policy which directs that **revenues above this established baseline be, in the future, directed to funding the public initiatives/improvements in the Beach** which are being proposed by this planning process. Among such initiatives could be financial support for a shuttle system and neighborhood traffic calming streetscape improvements. As this resource is better managed, and development occurs and as the effective Beach season is extended, it is anticipated that these revenues would grow.¹⁷

The parking analysis assumes that meter rates will increase throughout the City¹⁸ from \$.75/hr to \$1.50/hr (in constant 1997 dollars) over the next 10 years, resulting in \$707,000 in additional meter revenue by the Year 2007.

Demand and usage of metered spaces is projected to increase approximately 33% during this same period.¹⁹

5. Recommendation: Neighborhood Protection Program

As on-street parking is better managed and as parking demand increases in the area, there could be a direct spill-over impact on surrounding neighborhoods. For that reason, it is important to implement, at the same time as the meter program, the traffic calming and urban design recommendations for neighborhood entryways to Beach Hill and Beach Flats. It is also important to keep the "regret factor" very high. The current citation is \$33.00 for parking in the Beach Hill or Beach Flats residential permit zone.²⁰

¹⁶ The establishment of such a base-line might also allow for a percentage increase over time.

¹⁷ A detailed analysis of parking revenue projections is found in Jones, *Plan*, p.41-41, and Table 16.

¹⁸ See also, Economic & Planning Systems, Inc., draft report, *Downtown Santa Cruz Parking Study: Phase I: Historical Analysis and Baseline Forecast*, March, 1997.

¹⁹ M.G. Jones, *Plan*, p.39.

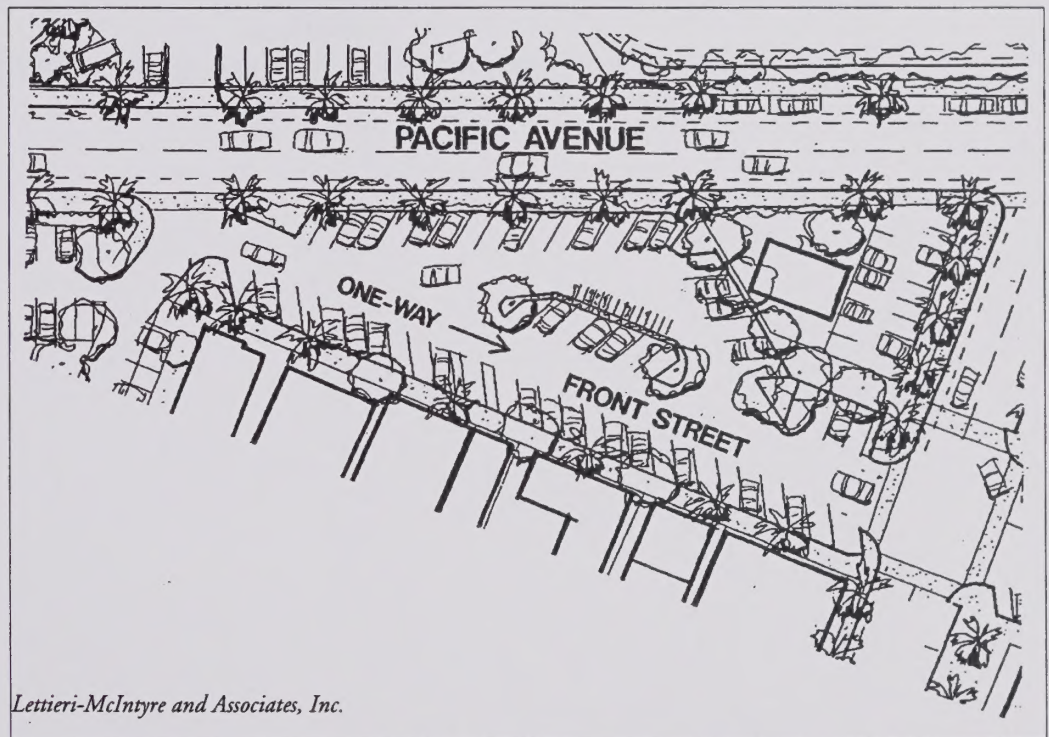
²⁰ "Municipal Code Bail Schedule", 2/1/94.

In addition, the East Cliff, River Flats and West Cliff neighborhoods could begin to experience visitor parking impacts as revitalization occurs. It is recommended that the City carefully monitor these neighborhoods and be prepared to respond should residential permit parking programs be requested.

6. Recommendation: Front Street Improvements

This plan recommends changes to the way parking is allocated on that portion of Front Street between the Wharf intersection and Second Street. As the following illustration demonstrates, both the direction of traffic flow and the distribution of parking is changed. It is recommended that the same number of diagonal spaces adjacent to the shops be maintained, but that the expanse of public space be consolidated and landscaped both to allow protected, head-in parking²¹ and to create and continue the boulevard effect of the proposed Pacific Avenue gateway.

A landscaped island is proposed to “neck-down” the exit at Second Street and calm the flow of traffic. It is understood that a thorough traffic analysis will need to be performed on this proposal. This proposal also supports and reinforces the concept of a traffic circle at the Wharf, while providing additional protections to the Front Street section of Beach Hill.



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Figure 57

Front Street Concept Plan

²¹ Traditionally, head-in parking provides for a greater number of spaces than does diagonal parking. However, an engineering study will be needed.

**XIV. TRANSIT & RAIL: BIKE & PEDESTRIAN: EXISTING
CONDITIONS AND RECOMMENDATIONS**

XIV. TRANSIT & RAIL: BIKE & PEDESTRIAN: RECOMMENDATIONS

A. OVERVIEW & PURPOSE

In order to identify which improvements the City should implement first, the parking and circulation studies analyzed a variety of development scenarios. The following discusses those improvements which will be needed for the first stage of development, projected to be years 1-5 after plan approval, and discusses the exciting potential of rail.

In the patterned minuet of steps taken by cities and developers in areas designated for revitalization, it is **certainty and coordinated timing which ensures success**. Therefore, in an effort to provide certainty to the private sector and to anticipate possible costs to the public sector, an analysis was carried out of the transportation impacts and funding needs of the development proposals recommended in this plan.¹

“The sequencing or phasing of growth in the study area is largely dependent on external factors such as economic conditions, and is difficult to predict precisely. In order to plan for needed physical and operation improvements, however, the City must identify likely development scenarios and trigger points which will allow time to identify and secure the required funding and public-private partnerships.”²

B. POSSIBLE DEVELOPMENT SCENARIOS

Analyzing the various development proposals for the Beach and South of Laurel, three possible staged development scenarios were identified. These development scenarios were grouped into five year time spans and included both specific projects which had been identified in the Plan Strategies, as well as non-specified general growth which it is reasonable to assume might occur.

These three stages are:

Short-Term (1-5 years)

Specific Projects

- 250-275 room conference hotel facility, w/37,000 gsf of retail/restaurant, undetermined number of parking spaces, La Bahia site
- 2.5 acres of city park

General Growth

- 45,000 gsf of office
- 20,000 gsf of retail

¹ See Jones, *Plan*, p.27; and p.36-37.

² Jones, *Plan*, p.27. Based on the projected development sequence, the Plan analyzes parking utilization and operations, identifies development and operating cost assumptions, parking revenue assumptions, suggests sequencing of parking generation, and provides 10 year parking pro-formas. [p.36-37].

- 150 dwelling units
- 32,000 gsf of Police Station

Mid- Term (5-10 years)

General Growth

- 25,000 gsf of office
- 20,000 gsf of retail
- 30 dwelling units
- 139 hotel rooms

Long-Term (10 years - Build Out)

Specific Projects

- less than 125,000 gsf of retail at Main Beach Parking Lot (amount to be determined by future planning process)

General Growth

- 22,000 gsf of office
- 25,000 gsf of retail
- 23 dwelling units

1. Short-Term Improvements Required: YEARS 1 - 5

Using this approach of sequencing development, it was found that in order to address the circulation and parking requirements of the first stage development projected for years 1-5, **an additional 300 space parking lot and a shuttle system to intercept lots would be required as a mitigation measure.**

This approach allows a substantial amount of development to occur in the Beach/Wharf area without the burden of constructing an expensive parking structure.

“a parking deficit first appears in 2001 (Year 4). Under ‘proposed improvement,’ parking improvements are sequenced starting with the depot site and shuttle system in 1999. The La Bahia on-site parking supply is phased in at the same time the project comes on-line (2000), although evening demand will outstrip this supply by about 120 spaces (to be parked at the depot site).³

The City should provide this additional surface parking in the South of Laurel which has an ideal location in the **Depot Site**. Should this exact location prove not to be available, another near-by site in the South of Laurel must be identified. Further analysis should be carried out as to the costs and benefits of providing structures vs. surface parking on the Depot site.

C. PROPOSED SHUTTLE SYSTEM

The proposed shuttle system is the priority component of the suggested mitigation program for revitalization of the Beach and South of Laurel areas. It would serve not only to defer the need for a parking structure during the first phase of development, Year 1-5, but also assist in reducing parking and congestion problems in the Beach area.

³ Jones, *Plan*, p.41. This analysis assumes the implementation of the Third Street Realignment and the consolidation of parking on the River Lot.

As the service is developed, it could provide a vital linkage between activities in the Beach and the Downtown. It is crucial that the shuttle program be implemented as soon as possible and be carefully structured for success.

1. Needed Shuttle Characteristics

An analysis was carried out of type of shuttle service which would be needed to mitigate parking needs upon full build-out. Then, a detailed analysis of these components was performed and specific shuttle program recommendations were identified.⁴

Background & Overview

As a rule, jurisdictions tend to be skeptical about the feasibility of shuttle service. They often regard shuttles as a major operating expense serving only a small segment of the population. This is based partly on local experience, partly on the national experience of declining transit ridership across the nation during the past decade, and partly on the recognition that Americans on the whole often tend to view transit negatively — or at best, neutrally.

The City of Santa Cruz operated a Beach Area shuttle service between 1985 and 1994 with moderate success, using standard Metro buses, and a 30 to 45 minute headway. Service was provided by the City and funded by a 60% public and 40% private funding plan. The service was discontinued in 1994 due partially to declining ridership.⁵

For any shuttle service to have a realistic expectation of success, both the elements of cost and of personal resistance must be addressed. Throughout this study has run the leitmotif of linking constraints to incentives and personal costs to personal convenience. The elements of the proposed shuttle program below attempt to cement these essential relationships.

The Experience Begins With the Vehicle

Because of resistance to transit, it is critical that the vehicle itself be attractive and the ride itself an enjoyable experience. For that reason, it is strongly recommended that the vehicle be the rubber-wheeled **trolley-style** open vehicle which is fun to ride, relates to the history of the area, and is easy to load and unload. They could also possibly be electric.

In the early days of the Beach, the City had a variety of shuttles and electric trains which provided easy and convenient access. This study recommends an attractive shuttle which has the capability of handling beach going equipment and recreates the earlier version of Santa Cruz.

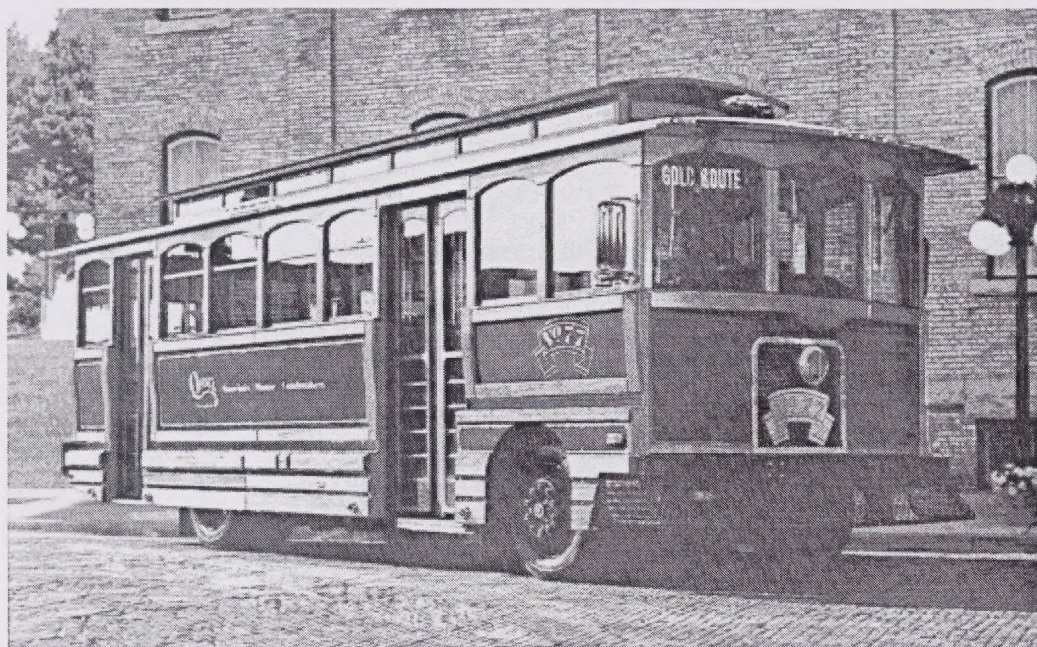
Proposed Hours of Operation: Number of Shuttles

The proposed hours of operation are from **9 am to 10 pm**, or 13 hours per day during weekends in the peak period, and two hours shorter in the evening during off-peak periods.

The service is proposed for **nine months a year on weekends only**. As the Beach area develops more year-round attractions, this service proposed should be re-examined.

⁴ Jones, *Plan*, p.16-27. The majority of the following shuttle discussion is based on this analysis.

⁵ Jones, *Plan*, p. 20.



“A caveat to this is the possibility that a shuttle could serve local residents and employees with direct timed connections to the Metro-Multi-Modal Terminal. For example, the shuttles could possibly replace Route #7 (Beach Route)” Jones, *Plan*, p.18.

In order to remove the demand for 400 parking spaces from the Beach area, at least four vehicles with a maximum capacity of 47 people, including standees, would be required.

Proposed Headways: 10-15 Minutes⁶

For shuttles to be successful, the service needs to be both **predictable and reliable**. Passengers must be able to anticipate another shuttle within 10-15 minutes both in the **parking lots and along the shuttle route**. This is often difficult to accomplish in normal urban conditions. It is complicated in Santa Cruz by two factors:

- concentrated arrival time and — when the fog rolls in — concentrated departure time of beach visitors, and
- congested routes.

This study recommends that arrangements for back-up bus capacity be made with Metro or other sources to assist during peak periods, when the proposed shuttle system can only provide for approximately 71% of design day demand.⁷

Proposed Shuttle Route

In the beginning, the proposed shuttle route must be **simple, direct, and as rapid** as possible. As local residents and visitors become accustomed to the service, it may be possible to operate additional routes.

⁶ Fehr & Peers, “Executive Summary”, p x.

⁷ Jones, *Plan*, p.19 for a full discussion.

The following proposed initial route should be analyzed for its ability to serve to connect the River/Front Garage, the County Center, with the proposed Depot parking lot and the Beach. [See following figure] The stops should be clearly signed with schedules/routes, and located at existing Metro stops. A fifteen minute round-trip is proposed. Alternative routes which avoid Beach Hill should also be analyzed.

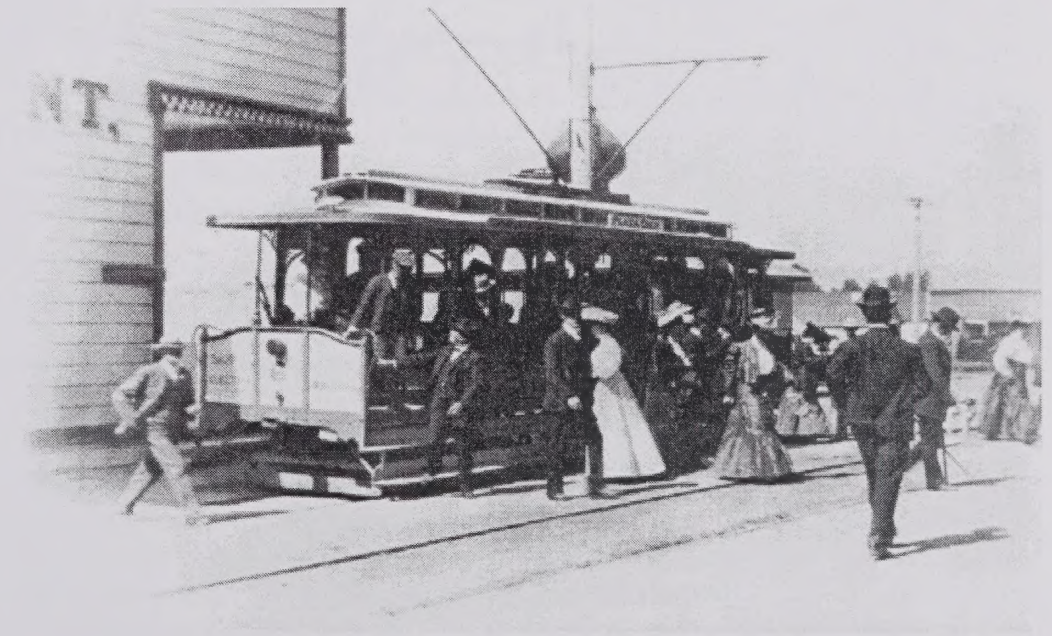
Example of Public/Private Shuttle Funding

The Wave Shuttle service in Monterey began as a joint venture with funding from the City of Monterey, the City of Pacific Grove, the Monterey Bay Aquarium, and the Monterey Bay Air Pollution Control District provided funding equal to the sum of the first three sources. This was matched with Congestion Mitigation and Air Quality (CMAQ) funding. The incentive to create the system was an effort to reduce auto use and deal with a parking problem at the Aquarium.

In the FY 1994, the first year of the demonstration, the Monterey Bay Aquarium provided \$40,000 of the \$530,000 budget, with an additional \$10,000 provided by local businesses in the City of Monterey through their associations. The City matched that amount, and the City of Pacific Grove provided \$7,000. These combined municipal and business contributions were then matched by the local air pollution control district, with fares and advertising revenue completing the needed funding.potential shuttle route.

The actual business contribution amounted to \$50,000, or 9.4 percent of total needed, but it should be noted that this amount leveraged a great deal more. Although many in the business community felt that they were already paying taxes that should fund the service, there was substantial business support in marketing the service.

Putting together a funding package with ten sources, and then following up to obtain the funds, required strong advocacy by the transit Board and municipal leaders, and a lot of staff time from the transit system for group presentations and follow-up.



Early example of Santa Cruz Trolley

D. PROPOSED REMOTE PARKING LOTS

1. Near Term Proposed Lots: Years 1-5

In the near term, there are three logical sites which could effectively serve to provide remote parking for beach and Wharf goers. They are:

- **River/Front Garage** - which could provide up to 200 spaces for Beach area parkers on weekends,⁸
- the **County Center** parking lot which could provide up to 450 spaces on most weekends, and
- the proposed **Depot lot** of 300 surface spaces which could serve not only as parking but also as a potential transfer point between the shuttle and Metro bus systems.

The **Depot site** offers the exciting potential of providing a realistic intercept lot for visitors whose primary destination is the Beach. Because of its location along the railroad tracks which lead directly to the Beach, this site could provide convenient and attractive pedestrian access from parking less than 5 minutes from the beach area.

This site could also act as a true multi-modal stop, a potential transfer point between the shuttle and the Metro bus systems, and as the following section will describe, this area is also being studied for the possible location of station stops for both recreational and transit rail. [See following illustration]

Because of the many interconnecting functions this site could perform in the coming years, this study recommends that **the City take the necessary steps now to acquire this site** to ensure that beach area weekend parking could be accommodated here. Timing is a critical issue in transportation planning, for often opportunities disappear which can never be recreated.

2. Mid-Term Proposed Lot: 5-10 Years

The California Department of Transportation is currently planning to construct a clover-leaf intersection where Route 17 intersects with Highway 1. In the "fishhook" design, there may be provision for a 150 car parking lot, if this improvement is adopted by the Regional Transportation Commission. [See following map].

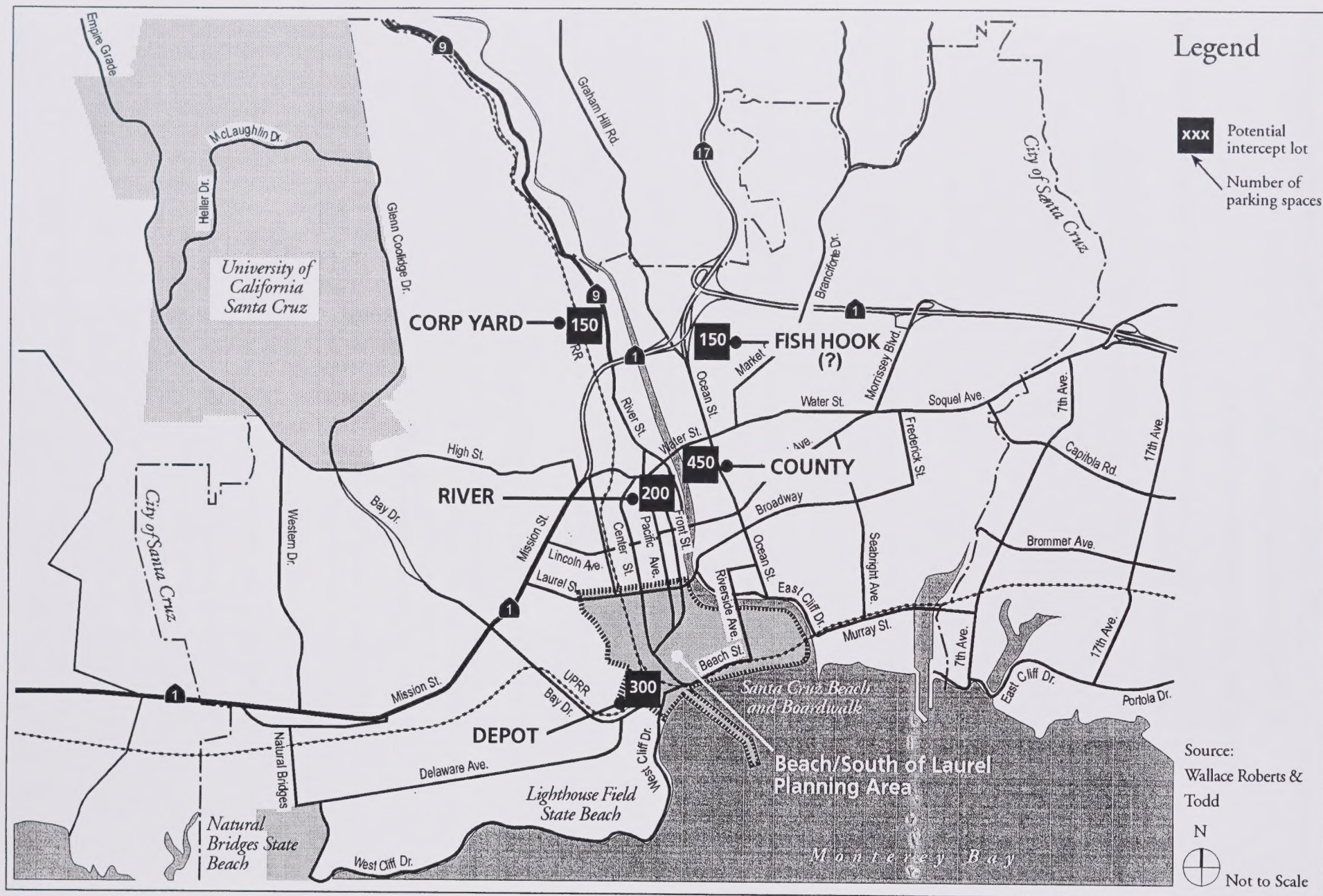
In preliminary conversations, Caltrans has indicated its willingness to consider using this lot for a remote parking/beach shuttle connection on the weekends.

Study will be needed to see this site can be realistically served by shuttle.

3. Long-Term Proposed Lot: 10 Years & Beyond

The *Major Transportation Investment Study*, being directed by the Santa Cruz County Regional Transportation Commission, is analyzing eight major transportation alternatives which will affect the City of Santa Cruz. Two of those alternatives include rail transit service which would employ the Southern Pacific rail line with a potential station stop located near the intersection of River Street and Encinal where the City has a storage yard.

⁸ Matt Farrell, Memorandum, March 19, 1997, "Downtown Parking Lot Surveys."



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Figure 59

Potential Intercept Parking Lots

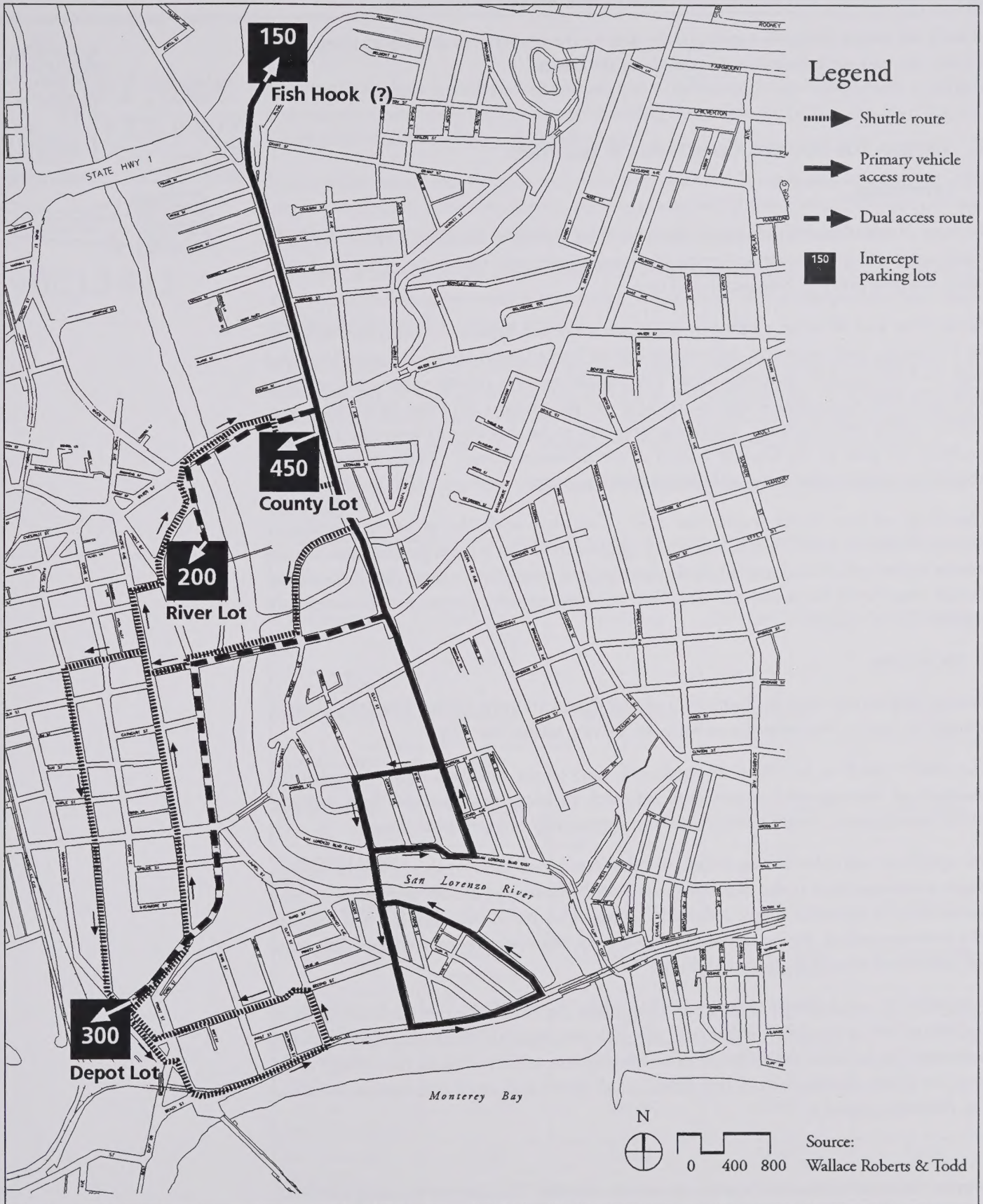


Figure 60

Proposed Circulation Routes

If such rail service becomes a reality, there may be the potential to develop an intercept lot at this site, and use rail service as a shuttle to the beach.

E. CRITERIA FOR SUCCESS: CONSTRAINTS & INCENTIVES

1. Constraints

Because of reluctance to use transit, there are three principal constraints which should be marketed to enhance the attractiveness of remote parking and shuttle use. They are: lack of easily available parking, congestion and cost.

As on-street and off-street parking in the Beach area reach capacity — often mid-morning on a Saturday, peak weekend, and congestion on lower Ocean builds, it is recommended that the City employ “**real time signs**”/ electronic signs to inform visitors that close-in parking is full. Such signs would be useful at the intersection of Ocean St/Water Streets, and/or Ocean Street/Soquel “where visitors need to be prodded to leave the ocean St. corridor and park at the County Center or the downtown area.” Manpower would be needed to monitor conditions and change signs as needed.

The issue of cost is an important one. Coupled with the meter management recommendations noted earlier, this study recommends that **remote parking and shuttle service be free** in its initial stages.⁹ As the system gains acceptance, a small flat fee for all day shuttle usage could be instituted. The City of Monterey now charges for its enormously popular “Wave” shuttle.

2. Incentives

Remote parking lots must be clear, safe, and well signed. Arriving visitors should be directed toward the remote lots from the moment of arriving within the City.

The shuttle needs to be creatively **marketed**. One of the proposed major management functions of the suggested coordinated approach to implementation will be a parking/shuttle management program which includes aggressively marketing the shuttle.

A simple, clear and colorful map should be distributed to all local hotels and visitor centers. Major attractions such as the Wharf and the Boardwalk should include the shuttle in their promotions. In the initial stages, it should be made clear that the shuttle is **free** and provides rides between parking, the Beach and the Downtown. Major downtown retail establishments and restaurants should promote the shuttle.

The goal of the marketing program will be to make the shuttle the ride of choice for local residents as well as visitors. To that end, this plan recommends developing a promotional campaign that includes the selection of an appropriate name for the service; design of an attractive ticket, distribution of free tickets to all hotels and retail and restaurants in the area, frequent publicity.

⁹ Aspen, Colorado has recorded a major increase in ridership. “The gains we are seeing are driven largely by paid parking in Aspen, which in essence makes the bus free. That, coupled with frequent departures, are bringing people to the transit habit in record numbers.” *Passenger Transport*, August 7, 1995.



F. COSTS

The shuttle analysis provides a cost comparison of different service levels, types of vehicle and operators, and compares the cost of operating the shuttle to the cost of providing 400 spaces of structured parking at \$15,000/space.¹⁰

The conclusion was that the proposed shuttle service would cost approximately \$185,000 per year to operate, while 400 close-in parking spaces would cost about \$300,000 per year. However, revenue from the parking spaces would generate a positive cash flow.

Choosing to implement the shuttle system in the first stage of development would defer the need to construct a garage until at least Year 6, when due to new development, there would be adequate demand to warrant a garage.

While the analysis found that for mitigation purposes a shuttle system is necessary for only approximately 30 days out of the year, this study recommends that in order to provide a consistent service, increase utilization of the vehicles and establish a reliable linkage between the Beach and the Downtown, a **9 month schedule of weekend service** is desirable.

The following Table provides a comparison of existing shuttle systems which have been successful.

Table 6 Comparison of Shuttle Systems				
City/System	Santa Cruz- Option #2 (proposed)	Monterey	San Luis Obispo	Santa Barbara
No. of Vehicles	4	5 (max.)	2	10
Veh. Type/Cost	trolley bus	standard bus	trolley bus/ \$190,000	battery/ \$175-200k
Veh. Capacity (seated/total)	28/47	40	17/42	22/27
No. of Routes/ Length	1/3.5 miles	4	1/2.5 miles	4/5.5 miles
Operating Days/ Year	110	110	363	363
Operating, Hours/ Year	3,534	5,179	2,054	32,670 (est)
Operating, Hours	9am-10pm/ 9am-8pm	9am-6:30pm	12n-5:30pm/ 12n-9:30pm	8-10 hours/day
Headways	10-15 minutes	10 minutes	17 minutes	6-22 minutes
Annual Ridership	109,000	120,000	100,000	744,000
Annual O&M Costs	\$176,700.00	\$227,500.00	\$37,000.00	\$650,000.00
Costs per Operating Hour	\$50.00	\$44.00	\$18.00	\$20.00
Net Costs per Passenger	\$1.61	\$0.89	\$0.37	\$0.87

¹⁰ Jones, *Plan*, Tables 2,3,4,5,6. Structured parking was assumed because of land constraints in the Beach area. [*Plan*, p.23]

G. RECOMMENDATIONS

In adopting this Plan, the City Council directed that all of the proposed transportation management measures - particularly the shuttle and remote lots, the Depot lot, electronic signages and meter management, the bikeway and roundabouts - should be implemented as soon as possible. In any case, implementation of these measures should precede any potential Boardwalk expansion or commercial expansion on the Main Beach parking lot, and the City should aggressively pursue outside funding sources for alternative transportation projects.

1. Recommendation: Purchase Trolleys

Purchase four historic trolley-type, tourist friendly vehicles, possibly using alternative fuel sources (battery or electric) if special grant funding can be obtained from the Air District.

2. Recommendation: Arrange Back-Up Service

Arrange for back-up service with Metro for peak periods.

3. Recommendation: Preferred Route

Utilize one route between the Beach, Wharf, Depot Lot, Downtown Santa Cruz, and the County Center.

4. Recommendation: Preferred Schedule

Operate nine months, on weekends (Option #2). Option #1 (summer weekends only) may be an acceptable alternative depending on availability of operating and maintenance funds.

5. Recommendation: Marketing

Implement marketing, signing, and other improvements identified above.

6. Recommendation: Identify Funding

Identify funding sources to cover first two years of operation (\$440,000) and pay for shuttle vehicles. Possible sources include: incremental meter revenue, assessments on new developments (in-lieu fees), private sector contributions, local, regional, state, and federal grants, and revenues from the Depot Lot.

7. Recommendation: Competitive Bids

Place operation and vehicle purchase on competitive bid basis.

H. RECREATIONAL/TRANSIT RAIL

1. Overview

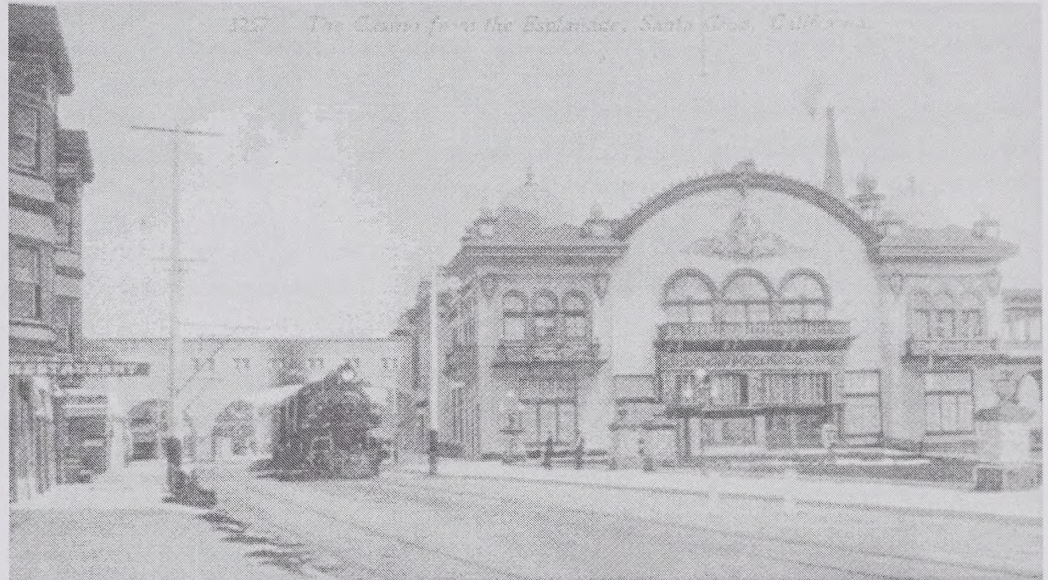
The City of Santa Cruz possesses an **irreplaceable asset** in the Union Pacific Railroad tracks which run through the heart of the Beach area. Most other American cities have torn up their center city track beds losing forever the opportunity to integrate rail service into their transportation solutions.

One of the central tensions in devising a transportation masterplan for revitalization of the Beach and South of Laurel areas is the **basic question of at what point will congestion**



throttle the success of redevelopment? Given the physical constraints of the area, its operation as a cul-de-sac, and the tightly constrained number of entry points, the existing railroad tracks through the area offer an exciting potential for providing ease of access to large volumes of people in the future. These tracks are ideally located to serve the Beach/Wharf and the Boardwalk, the major tourist attractions in the area.

However, while the location of the tracks provides a major resource to the City, they also act as a potential challenge to the functioning of Beach Street. Their physical location in the middle of Beach Street will require that any additional rail service take into account the need to provide for vehicular, pedestrian and bike circulation within the same roadbed



2. Existing Conditions

The Union Pacific Railroad tracks run from Bay Street to East Cliff Drive, passing under the West Cliff trestle and sharing the Beach Street right of way from Pacific Avenue to the trestle-bridge over the San Lorenzo River.

The tracks intersect the Santa Cruz Big Trees and Pacific Railroad (SCBT&P) at a "Y" north of the West Cliff trestle bridge, and the track right of way is shared with Union Pacific south of Maple Street. This track runs between Washington and Chestnut.

There are three round-trip Union Pacific trains a week, —some as long as 50-60 cars. The SCBT&P Railroad operates seasonal recreational trains twice a day between Memorial Day and Labor Day. There is weekend-only service in May and in September/ October. Roaring Camp estimates ridership at 200 to 500 per trip, with an average during peak months of 250 passengers.¹¹

3. Looking Toward The Future

The Santa Cruz County Regional Transportation Commission is in the process of investigating two types of potential regional rail service which would substantially benefit the City of Santa Cruz as a whole and the Beach area in particular.

¹¹ Fehr & Peers, *Report*, p.46.

Weekend Intercity Rail:

The *Intercity Recreational Rail Study for the San Francisco Bay Area to Santa Cruz Corridor*, completed in August, 1996, was designed to assess the feasibility of providing a weekend intercity rail service between the San Francisco Bay Area and Santa Cruz County. [See following Corridor Map].

As the origin-destination studies for the Beach area have documented, approximately 60% of total visitor arrivals come from the San Jose area and could potentially avail themselves of this service.

The *Rail Study* estimated ridership levels, and found that “an Intercity Recreational Rail service between the Bay Area and Santa Cruz is estimated to attract about 900 passengers on a summer weekend day, and approximately 160 passengers on a summer weekday. During the non-summer seasons, the estimated ridership varies between 584 and 701 passengers on a weekend day and between 106 and 125 passengers on a weekday.” [p.20]. The Santa Cruz Boardwalk would be the terminus point of the service.

One of the primary goals of the study was to develop a service strategy which could be implemented on a trial basis as early as 1998. To test the concept, a special event was planned.

The demonstration project — The Return of the Sun Tan Special — of May, 1996 was enthusiastically received and delivered over a thousand passengers to the Beach and Boardwalk area via rail, demonstrating the potential value of this mode of travel to the Santa Cruz area on weekends.

There are a variety of ownership, management and cost issues regarding the weekend intercity rail service which must be resolved. Should agreements be reached soon, it is anticipated that this service could begin within the next 2 to 5 years.

Rail Transit Service

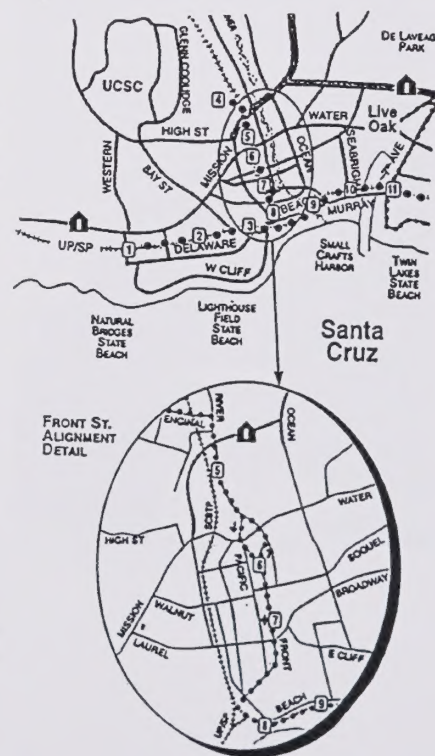
In addition to the examination of the potential for weekend intercity rail service, the Santa Cruz County Regional Transportation Commission is analyzing eight alternatives in a *Major Transportation Investment Study*, which will examine, among other options, the issues related to expanding rail transit service to and within Santa Cruz.

Three of the options regard rail transit service to and within the City. They are:

- Alternative #4: Rail Transit to UCSC via Harvey West - along Chestnut Street ending at the UCSC campus bookstore,
- Alternative #5: Rail Transit to Natural Bridges and Harvey West, entering downtown Santa Cruz via Front Street, and
- Alternative #7: Rail Transit to Harvey West, terminating at Harvey West Park.

Because of the complexity of the issues involved, and the scale of the potential improvements, rail transit service, should it be chosen as the preferred option by the SCCRTC, is not anticipated to come on line until sometime in the next decade.

ALTERNATIVE 5 - STATION STOPS			
#	Stations	#	Stations
1	Natural Bridges	12	17th Avenue
2	Almar Avenue	13	41st Avenue
3	Bay Street/California	14	Capitola Village
4	Encinal Street	15	New Brighton/
5	Josephine Street		Cabrillo College
6	Cooper Street	16	Seacliff Beach
7	Metro Center	17	Aptos Village
8	Wharf	18	Club House Drive
9	Boardwalk	19	Seascape Boulevard
10	Seabright Beach	20	Manresa Beach
11	7th Avenue	21	Watsonville Transit Center



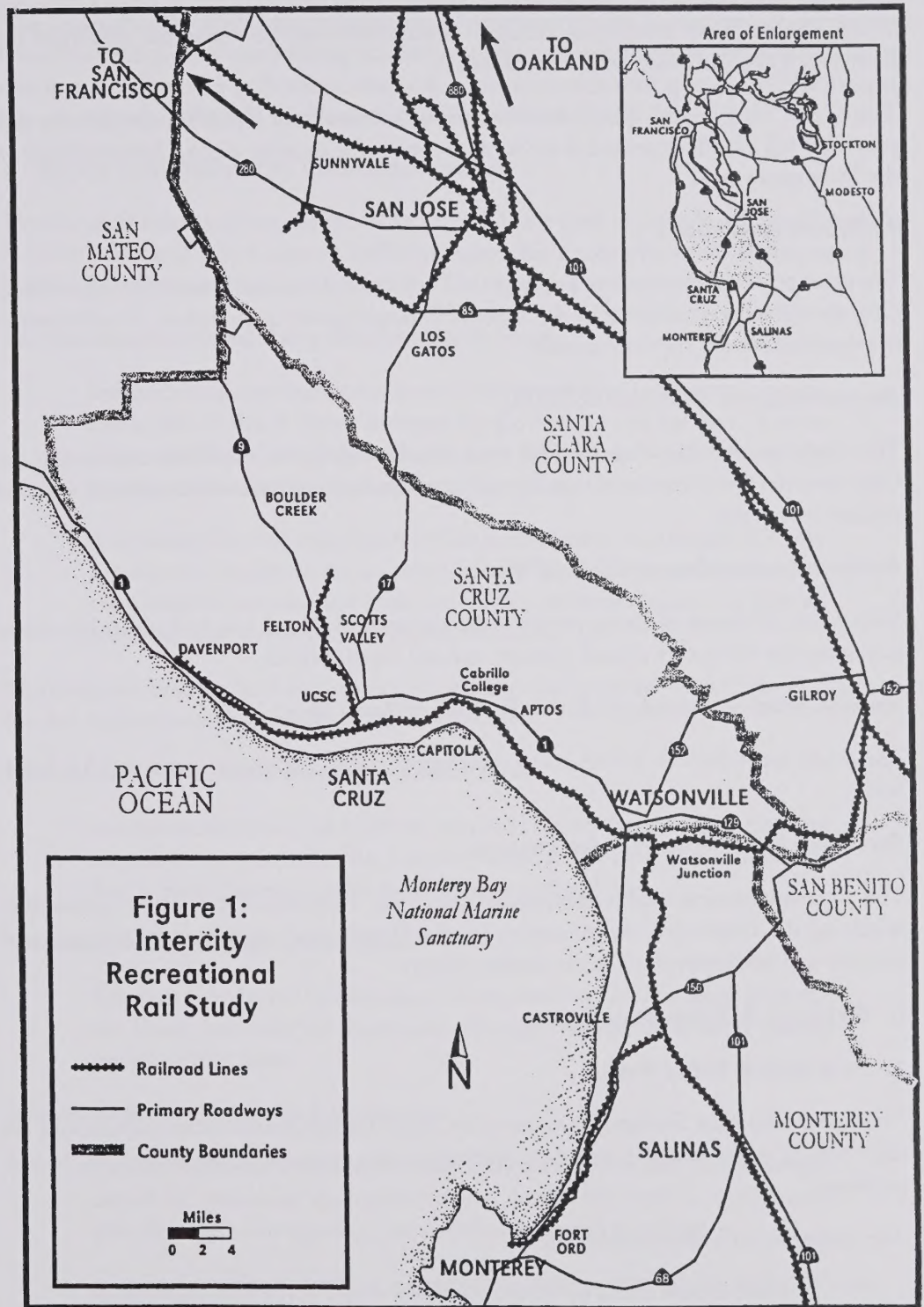


Figure 61

Intercity Recreational Rail Route

The potential benefit of such service to the City of Santa Cruz is enormous. Alternative 4, using the Chestnut Street corridor, would provide an internal commuter rail connection linking the University of Santa Cruz with the Downtown and the Beach and the East Side as well as a rapid external rail connection to Capitola, Aptos and Watsonville; while Alternative 5, using Front Street would provide direct linkage between the economic centers of the Downtown and the Beach and points South.

The recent "First Night" special demonstration on New Year's Eve 1996 employed a self-propelled rail car which provided service throughout the evening along Chestnut Street in the Downtown area.

4. Recommendations

The great potential for renewed passenger rail service in the future is one the City of Santa Cruz should actively explore with the Regional Transportation Commission. In anticipation of expanded service, the City should:

Recommendation: Team with SCCRTC

This study recommends that the City work closely with the SCCRTC to ensure that the City's interests are incorporated into the major transportation investment study and weekend intercity rail plans.

Recommendation: Preserve Rights of Way

Ensure that all future planning preserves the necessary rights of way and potential station stop locations for both weekend intercity and rail transit service.

Recommendation: Provide for Rail in Redesign of Beach Street

Anticipate expanded rail service in any redesign or traffic circulation proposals for Beach Street.

Recommendation: Relocate Depot Structure

This recommendation is no longer feasible due to fire. However, if the City is successful in acquiring the Depot site, the remaining Freight Depot structure should be incorporated into the site development or in the nearby vicinity.

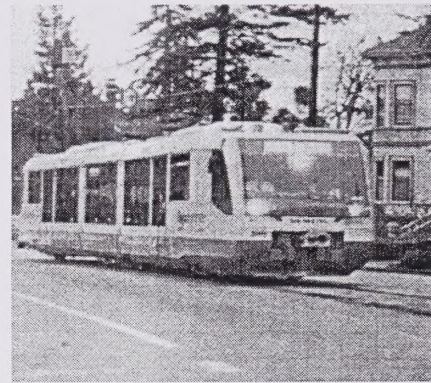
I. BIKEWAYS & PEDESTRIAN PATHS

1. Overview & Policy Basis

The *Beach Area Plan Strategy* had as one of its major transportation recommendations the reduction of vehicular traffic and the concomitant improvement of pedestrian and bicycle pathways.

The *Strategy* specifically recommended:

Promote bicycle access by improving access routes to the beach including: expanding width of the San Lorenzo trestle to accommodate bikes,¹² establishing dedicated bike lanes on Beach and Third Streets, completing



The RegioSprinter arriving on Chestnut Street. Over 1,750 passengers enjoyed the ride.

¹² The transportation studies recommend the bikepath between Pacific and San Lorenzo trestle.

the River Levee trail, examining potential for a two-way bike lane on the beach or an alternative approach on Beach Street that connects with West Cliff Drive. Look at establishing a bike jitney service. [p.35]

The *South of Laurel Plan Strategy* has as one of its primary goals the creation of a pedestrian friendly urban area by establishing pedestrian paths and bicycle route networks within an area that already serves both with a relatively continuous sidewalk system and bike lanes on key streets such as Laurel, Washington and Front/Pacific. [p.18-21]

2. Bicycle And Pedestrian Recommendations

The circulation and parking analyses have identified the need to preserve safety and mobility for bike riders and pedestrians as traffic increases due to the proposed developments. In particular, they recommend:

Recommendation: Install 2 way Bikeway: Beach Street

Installation of continuous a two-way year-round east-west bikeway on the south side of Beach Street between Pacific Avenue and the San Lorenzo River should be a high priority project. The City should aggressively pursue outside funding sources for this project.

A separated bikeway may separate bike traffic better. Any design will have to take into consideration not only Caltrans design requirements, but also the potential for conflicts with pedestrians, at intersections, at railroad crossings, and any impact on shuttle efficiency.

The proposed bikeway will require the cooperation and approval of the Seaside Company for that segment which is proposed on its property.

Recommendation: Connect Bikeway to East & West

In conjunction with the bikeway proposed above, pursue pedestrian and bicycle access across the San Lorenzo trestle to the east, and connect the Beach Street bikeway to West Cliff Drive at Bay Street.

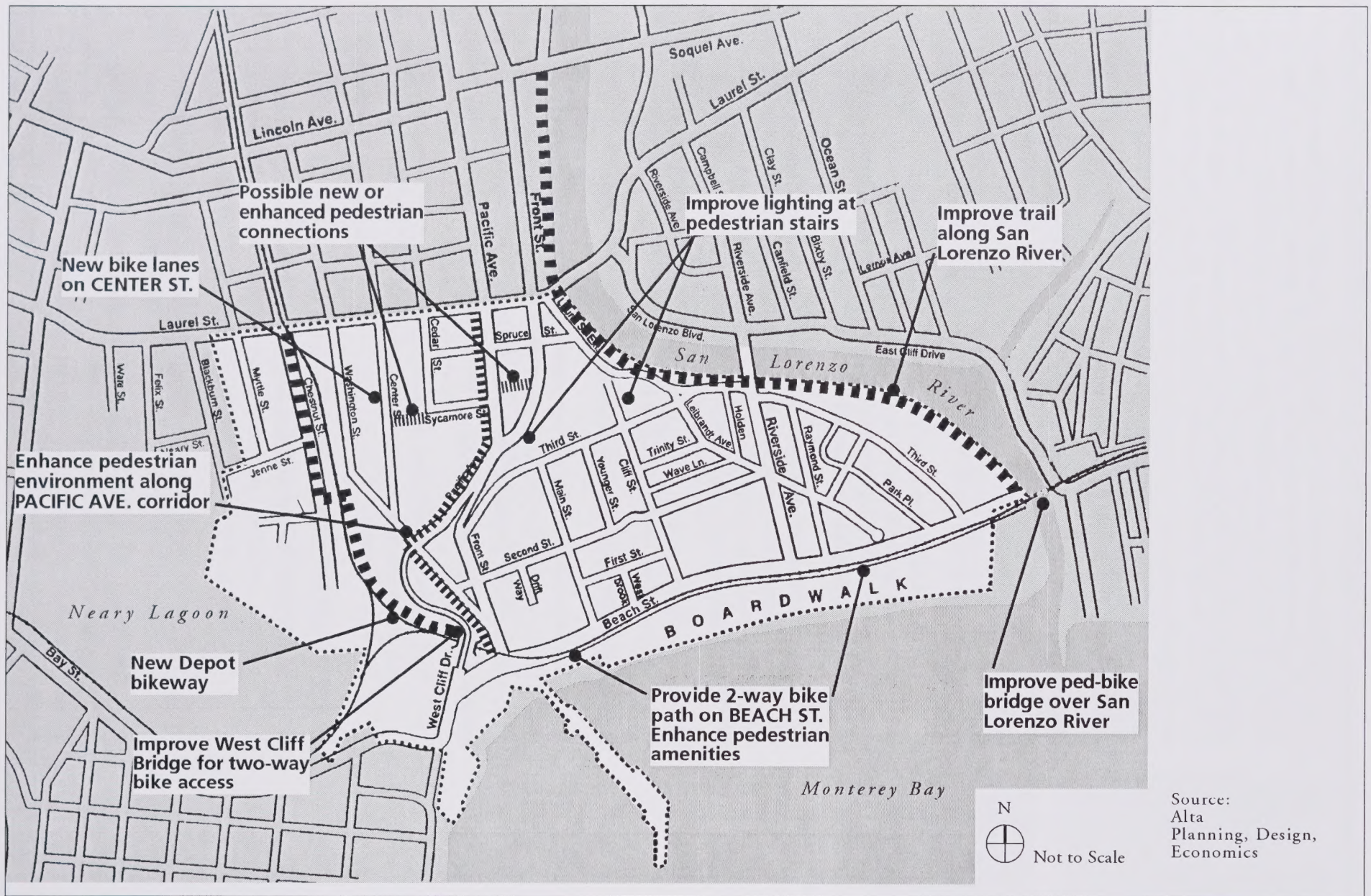
Recommendation: Connect to Downtown

Enhance bicycle and linkage access along the San Lorenzo River between the Beach area and the downtown through signage, curb lanes, and/or installing bike lanes.

Recommendation: Pedestrian Improvements

Provide pedestrian enhancements along the Front Street and Pacific Avenue corridors, including appropriate urban design elements as opportunity sites develop, with lighting, sidewalk furniture and plantings.

- Improve Beach Street as a pedestrian-oriented corridor by implementing compatible features from the Urban Design Recommendations.
- Design and implement a pedestrian walkway from the Depot parking lot to the Wharf intersection.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 62

Proposed Bicycle & Pedestrian Improvements



- Improve the Cliff Street and Pacific Avenue stairways and pedestrian pathways in the South of Laurel area.
- Improve east-west pedestrian connections in South of Laurel by identifying new pedestrian and bikeways.

One of the most satisfying elements of this planning process has been the recent ability of resolve some of the technical issues which had been preventing the installation of a two-way bikeway on Beach Street. It is anticipated that this improvement may be one of the first which can be implemented as a result of this Plan.

J. POTENTIAL BIKE TAXI SERVICE

Improvement of the bikeway system in the Beach area will create additional opportunities for local residents and visitors to utilize new bike services. The Beach area plan includes several new bike path options that could be utilized by a bike rental facility in this area.

The Depot site has been identified as a multimodal transit hub. One of the optional modes of transportation originating from this site should be a bike rental facility.

Recent discussions with private bicycle rental operators has led to the imaginative possibility of establishing a bike taxi service. This service could provide an established bike shuttle route that hotel patron in the lower Ocean Street and Riverside Avenue areas could utilize to get to the beach.

This service could include several four wheel bike transports operated by students that could accommodate four or five people and beach gear. Another concept could involve a variety of hotels having bikes, or bike jitneys available for patrons to rent.

Improvements to bikeways in the Beach area will provide the opportunity for visitors to include biking as an optional recreational activity similar to Monterey bike path and the Santa Barbara beach access route. Opportunities will exist to establish several private bike rental areas that visitors can utilize.

Improvements identified in the plan, including the two-way Beach Street bikeways, the two-way River levee connection to Downtown and better connections to both West Cliff Drive and across the San Lorenzo River Trestle, will vastly improve bike access in the area.

SECTION IV

DEVELOPMENT,
DESIGN, FACILITIES,
& IMPLEMENTATION

**XV. ECONOMIC DEVELOPMENT: BEACH AREA:
EXISTING CONDITIONS & RECOMMENDATIONS**

XV. ECONOMIC DEVELOPMENT : BEACH AREA EXISTING CONDITIONS & RECOMMENDATIONS

A. OVERVIEW & PURPOSE

While the South of Laurel has begun to attract strong investment interest, there remains a clear need to change the investment climate in the Beach Area. The major projects being proposed in this study are designed to accomplish that goal. The underlying premise is that tourists are coming and will continue to come. What is needed is an approach which manages the City's tourism assets in a way which lessens impacts and enhances their contribution to the overall quality of life.

However, it is clear that the public sector alone cannot create a healthy community. Stakeholder involvement is crucial. **The essential thrust of the recommendations in this chapter is to forge a new partnership process between government, business and the residential community in working to create and manage the future of the Beach.**

The proposals are for an active economic development program which structures the nature and form of the Beach Area's commercial and marketing elements, and actively encourages joint public/private investments in both buildings and businesses.

This is a comprehensive approach to the issues of economic vitality and the appearance and functioning of the area. Because some of the recommendations regarding recapturing of the unique Santa Cruz resort ambiance were dealt with in terms of an Overlay Zone, the recommendations in this chapter are to be read in concert with Chapter VII: Beach Commercial Recommendations.

These recommendations seek to ensure the Beach Area's role as the City's recreational focal point while reinforcing its distinct, historic, maritime character. Central to this approach is the importance of a more active management of the area's lodging industry and the Beach's marketing programs.

B. PLANNING CONSIDERATIONS

There are a series of planning considerations which are important in the development of an active economic development strategy for the Beach Area of Santa Cruz. They are:

- Opportunity provided by the growth of Silicon Valley,
- Need to determine long-term strategic niche in visitor industry.
- Need to Develop Coordinated Approach.

1. Opportunity Provided by Growth of Silicon Valley: 3 Marketing Opportunities

The remarkable growth of Silicon Valley provides the City of Santa Cruz with the opportunity to begin to more actively target this market in terms of housing, recreation, and extended stay facilities.

Housing

In terms of housing, preceding chapters have identified strategies for creating and managing affordable units to meet the City's pressing needs. The proposals in this Chapter have identified a series of additional housing opportunities in the Beach and South of Laurel which could respond to the existing development pressures and could fill the niche created by local young artists and young professionals who would enjoy living in proximity to the Beach and its activities.

Manage & Expand Recreational Market Share

Additionally, this growth provides the City an opportunity to manage and expand its share of the recreational visitor market which comes from this area. In addition to appealing to the growing conference market which this economy has generated, the City of Santa Cruz should take active steps to capture the growth in disposable income available for recreation. For that reason, **this study recommends a market survey of major markets the Beach area has already captured** to identify what improvements would result in higher market penetration, longer stays which would reduce the number of automobile trips, and supporting shoulder season demand designed to reduce the impact of seasonal surges.

Potential Extended Stay Business Market

Finally, the growth in demand for quality extended stay facilities to house consultants, visiting professors and new hires, offers the City an excellent potential market to expand the season of its lodging industry beyond the leisure traveler into the business market in renovated or new facilities. The global nature of the local business community supports the strength of this demand. A conscious effort should be made to target this market and a promotional program of the areas premier attractions should be developed. For this reason, hotel/motel facilities should budget for upgraded electrical capacity when undertaking renovations, and provide work stations in designated rooms if they wish to successfully attract the business traveler.

This type of program makes an excellent companion to the development of a hotel conference facility marketing effort.

2. Need to Determine Long-Term Strategic Niche in Visitor Industry.

In order to secure a stable future for the Beach and the Downtown, and ensure that tourism benefits flow to the City as a whole, there is a need to determine Santa Cruz's most compatible long-term strategic niche. Current visitor information provides only an indirect visitor profile. The *Santa Cruz County Conference and Visitors Council 1996 Advertising Conversion Study*¹ found that the "average party size of respondents visiting Santa Cruz County was 2.4 adults and 1.1 children (in 1996) compared with 3.5 adults and 1.0 children in 1992." The average adult age was 44 years.

The indication is that families are a major component of the visitor industry in Santa Cruz. Observation indicates that the second strongest component is young singles who come to Santa Cruz on the weekend. This is primarily a drive market of visitors coming for the day.

¹ by Morey and Associates, Inc. (1996), p.29.

While it is essential that Santa Cruz maintain and expand its current visitor base, this planning process has identified opportunities to begin to identify additional markets which the City could attract which bring benefits with few impacts. Principal among them are:

- heritage tourism traveler
- business traveler, and
- local resident.

While some components of a marketing strategy will be discussed in the following pages, **this study recommends a thorough analysis of the Beach and Downtown's potential to manage and expand its market base** as the proposed recommendations are implemented. Currently, a county-wide task force is evaluating the economic opportunities created by the designation of the Bay as a National Marine Sanctuary. Additional markets may also include eco-tourism as well as University weekend packages. This Plan will only examine a select number of opportunities.

3. Need to Develop Coordinated Approach

The City of Santa Cruz has demonstrated an outstanding ability to recreate the Downtown which was destroyed by the Loma Prieta earthquake. This success has prepared it to undertake the comprehensive approach suggested in this plan.

However, the essential difference between these two challenges is the absence of substantial Federal and local sales tax funding which characterized the rebuilding of Downtown. The Beach Area will be rebuilt through the efforts of a public/private partnership.

Both the public and the private sectors have important roles to play in this revitalization. Because of the multitude of interrelated program elements and of the need to coordinate public and private investment strategies and timetables, **a coordinated approach** to the implementation of recommendations stemming from this planning effort is suggested.

Such an approach will have the capability of bridging the numerous, interrelated transportation/parking, marketing/program management, and development and expansion programs being proposed.

Many of the elements recommended in this study will require close cooperation among those with a stake in the community, and successful implementation demands active participation by the City as well as by individual property and business owners. This will be needed in such programs as the organization and management of a unified employee shuttle program; the coordination of public and private parking programs; the funding and construction of new housing; the development of a quality hotel conference facility; and the careful conservation of neighborhoods.

Finally, it is crucial that strong links be forged between the Downtown business community and that of the Beach. Together, they have the ability to forge the individual assets of each area into a strong economic framework that can carry the City of Santa Cruz safely into the next Century.

The Beach and the Downtown should combine forces in the development of:

- joint marketing programs,
- shuttle system development,
- joint programming.

C. LODGING FACILITIES: BEACH AREA: EXISTING CONDITIONS

1. Overview

During the past five years, the lodging industry in Santa Cruz has begun a program of both new construction and targeted reinvestment in existing facilities throughout the City. There have been new national brand motels as well as reflagged properties which have added substantially to the City's lodging capacity. Within the Beach itself, the Comfort Inn, The Beachview Inn, both Super 8 properties and the Villager Lodge have undergone significant renovation. It is the intent of the following discussion to encourage expansion of this improvement activity specifically to remaining properties in need in the Beach area.

One of the major economic catalysts identified to stimulate investment in the Beach area is for a major, full service, hotel conference facility. While, during the past several years there have been a select number of facility upgrades in the Beach area, never-the-less, as the following information demonstrates, approximately **80% of the lodging facilities in the Beach Commercial Area are budget class or below**, and the majority of these holdings demonstrate only minimal reinvestment.

Of concern is that it may be severely unrealistic to anticipate the long-term success of a hotel conference facility without a plan to significantly improve both the appearance, safety and functioning of the smaller, less well-maintained motels in this area.

Large conferences will generate demand for quality lodging in adjacent facilities, where a comparable level of service will be expected. The worst case scenario might be to invest public dollars in a facility which succeeds only marginally —dragged down because of lack of general improvement in the area — and which, within several years, begins to reflect the currently existing investment climate.

2. Current Ownership Patterns

All the major approaches — i.e. Riverside, Pacific and Second — to the Beach are lined with either budget or non-brand motels — some of which are well maintained, and some of which reflect various degrees of maintenance and style. In attempting to reposition Santa Cruz as an Ocean Resort destination — with quality facilities, inviting shops and streetscapes, and year-round activities — it will be important to address this fact.

With the exception of the Casa Blanca which is located in the heart of the Beach Area, at the corner of Main and Beach Streets, the quality lodging facilities are located off Beach Street - on the periphery:

- Ocean Pacific Lodge: Pacific & Washington
- Dream Inn: West Cliff Drive,
- Sea and Sand Inn: West Cliff Drive.

At issue is:

- the need to begin to recapture/recreate an Ocean Resort Style in the Beach area, and
- the need to stimulate sound reinvestment in the lodging facilities in need in the Beach.



3. Market Considerations

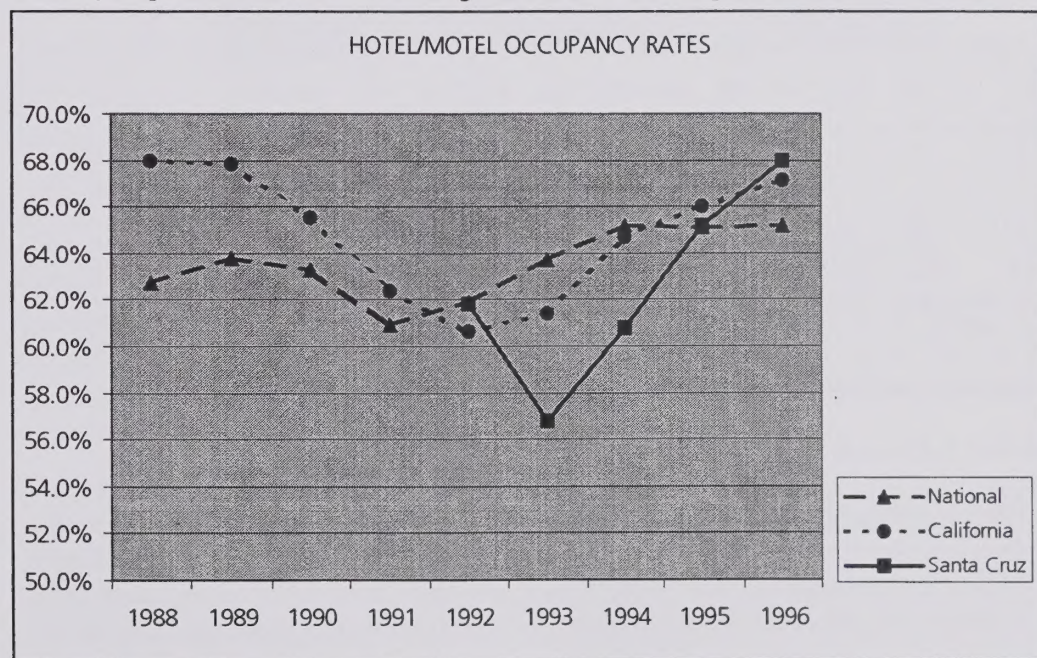
There are certain specific market conditions which must addressed. They are:

- occupancy rates,
- growth in revenues, and
- rental rate growth.

Occupancy Rates

It would be unrealistic to plan for major revitalization in the Beach area if market demand were absent. The following *Santa Cruz County Conference and Visitors Council Lodging Industry Survey "1996 Annual Report"*² demonstrates that in terms of occupancy rates, "California's rate is the best since 1989 and Santa Cruz County's rate is the best in the last five years. The local occupancy rate has exceeded both the state and national rates for the first time."

The following chart, from the Annual Report, demonstrates that the 1996 Average Occupancy Rate (A.O.R.) for Santa Cruz County was 68%, up 2.8 points from 1995.³ For the purposes of the lodging industry, 70% occupancy is considered high. 75% occupancy is considered excellent. Anything over 79% is considered to be at capacity - because of inability to provide successive room nights to the additional patrons.



HOTEL/MOTEL OCCUPANCY RATES

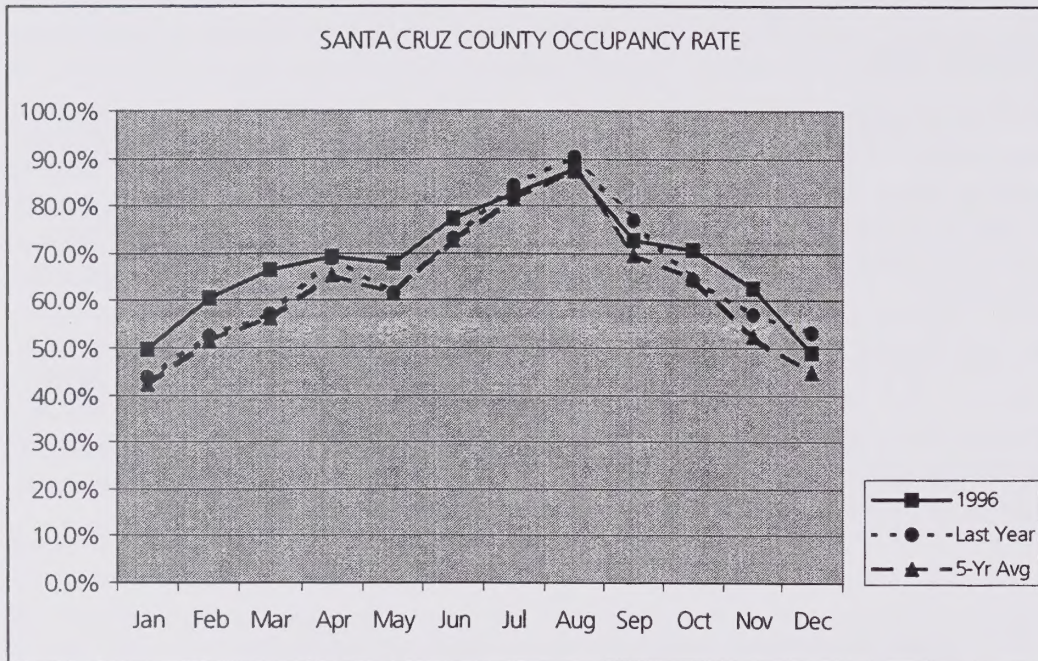
	1988	1989	1990	1991	1992	1993	1994	1995	1996
National	62.7%	63.8%	63.3%	60.9%	61.9%	63.7%	65.2%	65.1%	65.2%
California	68.0%	67.8%	65.5%	62.4%	60.6%	61.4%	64.7%	66.0%	67.1%
Santa Cruz					61.8%	56.8%	60.8%	65.2%	68.0%

Source: Santa Cruz County Conference and Visitors Council, *Lodging Industry Survey, 1996 Annual Report*.

² This Survey reflects voluntary responses from a 20%+ sample - providing trend lines - not actual case studies of the industry, and may not represent some of the smaller facilities.

³ For comparison purposes, A.O.R. for Monterey was 69.7%. Some of the smaller facilities in the Beach area reflect a lower AOR due to vacancies in the winter months.

The following chart demonstrates not only the **seasonality of demand**, but the **magnitude of demand in season** - with five (5) months above 70% — and three of those months well above 75% — with the peak rate of 87.8% in August.⁴ These numbers overstate the average annual occupancy rate in some of the smaller motels in the Beach area whose off-season demand falls off sharply.



SANTA CRUZ COUNTY OCCUPANCY RATE, 1996

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1996	49.8	60.6	66.5	69.1	68.0	77.3	82.4	87.8	72.8	70.7	62.7	49.0
Last Year	43.8	52.6	56.9	68.9	61.6	73.1	84.4	90.1	77.0	64.2	57.1	53.1
5-Yr Avg	42.4	51.4	56.3	65.3	61.7	72.8	81.4	87.4	69.6	64.8	52.3	44.9

Source: Santa Cruz County Conference and Visitors Council, *Lodging Industry Survey*, 1996 Annual Report.

Growth in Revenues

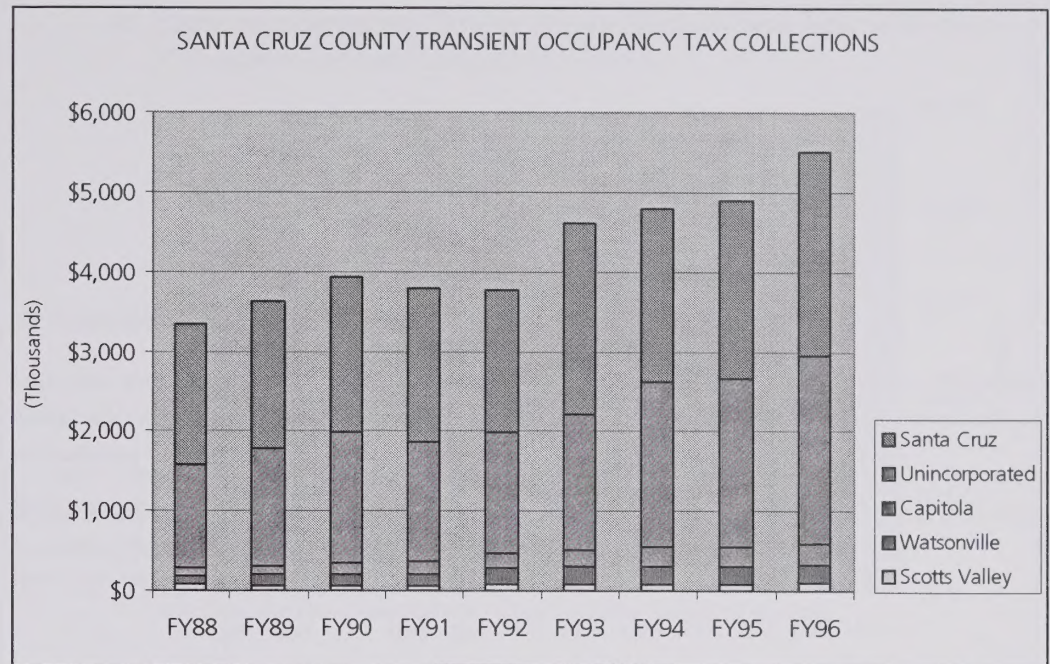
In order to understand the strength of the City of Santa Cruz's demand as opposed to that of the County, it is instructive to review the growth in Transient Occupancy Tax Collections (T.O.T). As the following chart demonstrates, the county-wide T.O.T. collections which rose from 93/94 [\$4,679,150] to 95/96 [\$5,254,979] reflect an overall increase of 12%.

The highest increases have been realized by the City of Santa Cruz which collected \$2,178,487 in T.O.T. in 1993/94 and \$2,570,635 in 1995/96 - an increase of approximately 18%.

Rental Rate Growth

In 1996, the **average** room rate had increased to \$97.38, an increase of \$7.92 over 1995. As the following chart demonstrates, the periods of peak demand during the season correspond with the periods of the highest room rates - peaking in July and August.

⁴ This information is presented on a **Countrywide** basis.



TRANSIENT OCCUPANCY TAX COLLECTIONS
 Santa Cruz County (thousands)

	FY88	FY89	FY90	FY91	FY92	FY93	FY94	FY95	FY96
Scotts Valley	\$78	\$69	\$67	\$64	\$88	\$90	\$89	\$91	\$98
Watsonville	\$109	\$128	\$132	\$136	\$200	\$220	\$213	\$224	\$224
Capitola	\$106	\$114	\$148	\$172	\$182	\$210	\$244	\$241	\$262
Unincorporated	\$1,275	\$1,461	\$1,642	\$1,498	\$1,514	\$1,699	\$2,071	\$2,113	\$2,362
Santa Cruz	\$1,773	\$1,859	\$1,934	\$1,919	\$1,778	\$2,392	\$2,176	\$2,234	\$2,571
TOTAL	\$3,341	\$3,631	\$3,923	\$3,789	\$3,762	\$4,611	\$4,793	\$4,903	\$5,517

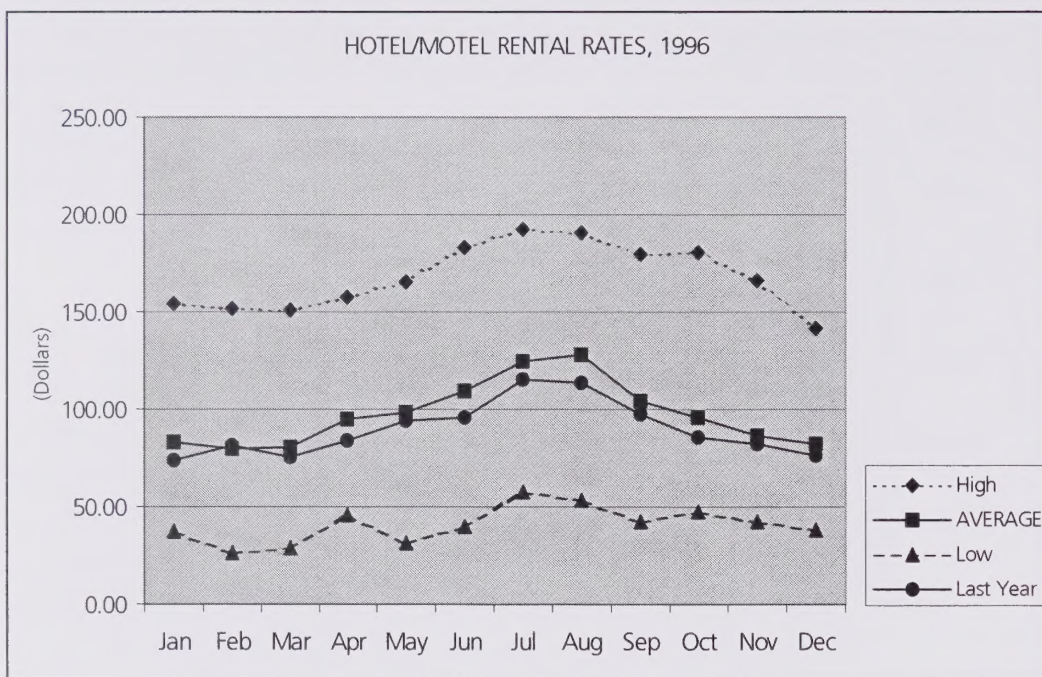
Source: Santa Cruz County Conference and Visitors Council, *Lodging Industry Survey*, 1996 Annual Report.

In order to survey the specific facilities in the Beach area itself and sample some of the smaller lodgings which may not be included in the "Lodging Industry Survey", a series of phone inquiries during the week of July 6, 1997 were made.

These inquiries revealed room rates - on the weekends - which began at \$125/night (Ramada Inn) and rose to a high of \$300 among the industry leaders in the Beach. All the Casa Blanca's premier rooms were booked, and only 2 rooms - without views - were available for one night only. The Ocean Pacific Lodge had no availability for a period of 14 days, and the West Coast Santa Cruz Hotel's 163 rooms were totally booked the weekend of July 18th - at an average room rate of \$179.00, and the Econo Lodge had only one room available for 4 days only with weekday rates of \$90 which rose to \$150 on the weekend.

While there is a clear distinction in room rates in the Beach between the highest cost room [\$165 - \$300] and the lowest cost [\$120], the more remarkable conclusion is that **there is a variation in the AVERAGE room rate on the weekend of only \$20 to \$40 between a budget facility and the most competitive facility in the Beach Area.** Even the least competitive facilities command room rates above \$125/night on weekends and that availability is extremely limited.⁵

⁵ An exception to this rate structure is the non-brand facility on Third Street.



HOTEL/MOTEL RENTAL RATES, 1996
 Range and Comparison to Last Year
 (Dollars)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
High	154.17	151.95	150.47	157.28	165.61	182.87	192.06	191.10	180.07	180.40	166.01	141.42
AVERAGE	83.31	79.24	80.91	95.31	98.40	109.51	125.00	128.27	104.14	96.10	86.16	82.15
Low	37.34	25.99	28.59	45.97	31.10	39.70	57.35	53.16	42.13	47.58	42.45	37.91
Last Year	73.37	81.44	75.42	83.80	94.07	95.48	115.49	113.24	97.17	85.59	82.41	76.05

Source: Santa Cruz County Conference and Visitors Council, *Lodging Industry Survey*, 1996 Annual Report.

4. Preliminary Findings

Even without a full scale market study of the lodging industry in the Beach Area, a few preliminary findings may be presented about the lodging industry within the Beach based on the statistics provided by the Conference and Visitors Council and verified in recent phone inquiries.

- a. *Strengthening Demand:* Average Occupancy rose 2.8% between 1995 and 1996 to 68%. Average in season well above 75%. Peak in July/August at capacity.
- b. *Growth in T.O.T:* Eighteen (18%) percent growth rate in lodging industry tax collection in the City of Santa Cruz between 1993/4 and 1995/96. This may reflect the construction of new hotel rooms as well as increased room rates and increased demand.
- c. *Rental Rates are Increasing:* In 1996, the **average** room rate had increased to \$97.38, an increase of \$7.92 over 1995.



d. *Little Price Distinction Between Average Weekend Room Rates of the Most Competitive and Least Competitive Facilities:*

Peter Pan:/Big Six Motel: \$120.00
Ramada Inn: \$125.00
Sea and Sand \$145.00
Casa Blanca \$165.00
West Coast Santa Cruz Hotel: \$179.00

5. General Conclusion

It is clear that **in season**, all the lodging facilities in the Beach area are **strongly performing assets operating near or at capacity**.⁶ In spite of this fact, there is clear evidence of lack of investment in several of the Beach area facilities .

What is needed is a **comprehensive Beach Area quality lodging strategy** which is designed to accomplish the goals of:

- reinforcing the investments of the lodging industry leaders,
- stimulating investment in the older facilities,
- creating a strong reinvestment climate in the Beach area through a general upgrading of the inventory, and
- recreating the seaside resort elegance of Santa Cruz's earlier era.

D. LODGING FACILITIES: BEACH AREA: RECOMMENDATIONS

The issues regarding lodging facilities in the Beach Area are complex and of long standing. They can be best resolved by working with industry representatives and owners themselves in establishing basic industry criteria regarding minimum standards for licensing, operating practices and appearance. The following recommendations provide a menu of actions which entail both regulatory and participatory programs.

1. Recommendation: Establish a City/Lodging Industry Partnership

The lodging industry represents a crucial component of the City's economic base. Subject to cyclical impacts, the lodging industry in Santa Cruz over the past several years has shared in the improving national and regional economic conditions. However, recent trends in lodging industry analysis reveal that consumers are demanding higher quality facilities and are willing - within reason - to pay for these facilities. "The Hotel market is hot, but a pattern of diverging trends is starting to emerge, with a fairly rosy scenario for upper-end hotels and a much less certain future for the economy and budget segments."⁷

Within this climate, it is important that Santa Cruz take the necessary steps to encourage its hotel/motel stock to remain competitive.

⁶ In the off season, some of the smaller facilities become weekly and monthly rental operations.

⁷ Urban Land Institute, *1997 Real Estate Forecast*, p.35.

“To attract customers who want to return, hotels must elicit an additional sustained positive, psychological response to the physical property. To achieve this, the property must provide more than minimum standards and ‘cookie cutter’ decor. Hotels must create a special ambiance - a pleasant and timeless, yet unique, relaxing, comfortable and clean environment. **Marketing dollars spent to recruit guests are wasted if property conditions cause guests not to return.** Whether properties are economy class, middle market, or luxury; **proactive planning and allocation of adequate funds to support appearance retention have become a requirement.** (emphasis added)⁸

There are two emerging national lodging industry trends which offer significant opportunities to the City of Santa Cruz. They are:

- substantial growth in the **Time Share** market and the entry of major operators such as Hilton, Marriott, Hyatt, Four Seasons, Westin and Embassy Suites,⁹ and
- the growing demand for quality **Extended Stay** facilities targeted toward the business traveler.

The **time share** market is growing in resort and recreational areas, with new marketing efforts appealing intentionally to singles, seniors, families with children and lower-to-middle income vacationers. This market may hold promise for Santa Cruz not only during the high season, but particularly during the early Spring and late Autumn months as well.

Urban areas with expanding employment markets are documenting demand for **quality extended stay** facilities to serve the relocated businessman/woman who needs temporary lodging, the consultant on extended assignment, and professors with split teaching schedules.

Because of its location near the San Jose high tech growth corridor, its University, and its sought-after oceanside ambiance, Santa Cruz has the opportunity to aggressively explore the potential of this market. Depending on demand, this market segment could begin to effectively expand the lodging industry’s season.

Specific Program Elements

Establish an active partnership with lodging industry representatives, the Lodging Association and the Conference and Visitors Council with the goal of repositioning Santa Cruz within the hospitality market. Among some of the activities to be considered are:

- Examining the market potential of time sharing and quality extended stay facilities in Santa Cruz. If found to be feasible, consider developing a marketing campaign targeted to take advantage of the high-tech growth corridor and the university.

⁸ Maree S. Forbes, “Hotels: Toward Mass Customization”, *Urban Land*, May, 1996.

⁹ “Timesharing: Keeping Pace with the Times”, *Urban Land*, August, 1996 Special Section.

- Establishing outreach program to lodging facility owners/managers to inform them of Beach proposals including Ocean Resort ambiance, Conference facility status, proposed transportation improvements, changes to the zoning code, design and landscaping requirements, and proposed licensing requirement.
- Bring local financial institutions and lodging community together to discuss lending needs. City to formally designate Beach Area as “Revitalization/ redevelopment District” as consistent with Community Reinvestment Act (CRA) guidelines. Inform local bankers of designation and of CRA **requirement** to lend in designated area.
- Examine the potential to provide a broad array of lodging experiences to an expanding visitor base, and encourage Bed and Breakfasts and small inns.

2. Recommendation: Comprehensive Program for Facility Upgrade

Develop comprehensive program to ensure general upgrading of entire Beach area lodging inventory. Design program to target remedies to the facilities in need and provide incentives where appropriate. Partner with lodging industry representatives, the Lodging Association, and the Conference and Visitors Council on specific program elements and implementation..

Specific Issues: There are three general issue areas in dealing with the Beach lodging industry. They are: issues of maintenance and appearance; issues of functioning and/or uses; and, issues of City requirements.

Upgrade Exterior Maintenance and Appearance

The following proposes a two-pronged approach to improving the existing lodging inventory in the Beach. The first is to require conformance with design and landscaping requirements of the *Design Guidelines*. The second is to provide incentives for compliance during a 24 month demonstration project.

Require Conformance: Modify RTC & RTB Zone

Modify RTC and RTB zones to require conformance with design and landscaping guidelines. Require conformance upon:

- sale or transfer of title,
- request for expansion or modification,
- upon annual renewal of business license, or
- upon verification of complaint from lodging facility guest/tenant, or property owner within the Beach Area.

Provide Incentive

Establish exterior facade improvement and landscaping program modeled on the successful “Eastside Storefront Improvement Program”, similar to the program proposed in this plan for the Beach Flats, providing: design assistance and grants to off-set partial cost of improvement for qualifying properties. Such improvements could consist of painting, signage, lighting, landscaping, awnings, trash enclosures, and design assistance. Target initially to Beach Area. Establish criteria for participation.



Proposed Criteria:

1. Target facilities located between the San Lorenzo River and Beach Street and/or within the proposed Beach District Overlay Zone area,
2. Target facilities with 30 rooms or less,
3. Limit to the first 5 facilities which apply and meet the criteria.
4. Applying facility must meet or propose to meet interior building & safety code requirements within 12 months of program initiation,
5. Grant payment not to be made until interior/exterior improvements completed and approved. Improvements to include signage compliance.

To be eligible, facility must submit list of proposed improvements which meet design guidelines. Further research is recommended to establish appropriate funding cap.

Establish Policy and Regulation of Existing Two Tier System

There is a two-tier system of functioning of hotel/motel properties in the Beach area. In general, the national brand motels and larger hotels function as true overnight lodging facilities, with little extended stay activity. On the other hand, in many cases, the smaller 20 to 30 room motels, which are non-brand, individually owned facilities tend to convert to monthly rental facilities at the end of the summer season, accepting social services vouchers as payment or providing fraternity and/or student lodging.

At issue with this second tier of functioning is the question of the evolution of transient overnight facilities into extended stay rental units which cannot meet minimum fire safety or code standards for housing. Many cannot even meet the current requirement for SRO units in terms of “partial kitchens which must have at least two of the three appliances required for food preparation facilities” [24.12.1022]. This raises the questions of potential fire hazard, increased need for public services such as safety and trash collections, and lack of adequate parking. The Fire Chief has noted the potential of increased frequency of fire incidents due to a sustained versus transient use.

An unintended consequence of this built-in market during the shoulder and off-season, is the lack of incentive to improve the competitive aspects of the property. Some of the smaller motel owners have indicated they do not know how to otherwise fill the winter vacancies.

This emphasizes the importance of extending the season in the Beach, and the potential of a conference facility to stimulate spin off demand.

Additionally, language of the TOT legislation requires collection of the tax on “**living accommodations for periods of less than thirty days...**” [Chapter 3.28.020 Definitions (2)] Although motel owners are required to collect and pay the tax from extended stay lodgers, renters are eligible - upon presentation of receipts demonstrating a longer than 30 day stay - to recoup these funds.¹⁰

¹⁰ Finance Department staff say that while this is not the norm, it does occur. Additionally, some operators either do not know or do not bother to collect this tax on extended stay rentals.



“Transient” is defined in the Santa Cruz TOT legislation as any person who occupies a space for rent **“for a period of thirty consecutive days or less”**. This definition renders those facilities which convert to long term rentals non-conforming with the City’s definition of motel which is “a building or a group of buildings designed to provide individual sleeping or living units, for transient guests...” [24.22.550], and non-conforming with the business license received. This type of occupancy is also not reflected in the average occupancy rates for the industry.

The cumulative effect of these differences is that a select number of properties in the Beach:

- are operating outside of what is considered to be normal industry standards,
- tend to be non-responsive to the competitive demands of the market, and
- may function primarily on a cash basis.

Additionally, these properties do not meet established City criteria for regulation either as transient lodging facilities or as rental units.

Develop Policy on Tiered System

The City, in concert with representatives of the lodging industry, social service providers and affected adjacent neighborhood organizations should develop policy on how this issue should be dealt with and how undesirable impacts can be mitigated.

If deemed desirable, separate categories of lodging facilities could be established reflecting multiple tiers of operation, as **“transient”** and as **“extended stay facilities”**. These categories should be defined by differing criteria, regulations, building codes, licensing requirements and fees. [See following discussion].

Develop Minimal Standards for Lodging Business License

The City currently has established requirements for the lodging industry through zoning regulations, annual business license renewal payment, and the reporting, paying and auditing of the Transient Occupancy Tax.

Zoning Code & Taxation Code

In the Beach and South of Laurel Areas, hotels and motels are permitted by right in the RTC zone [24.10.619 (1)c] and by special use permit and a design permit in the RTB zone [14.10.612 (2)d]. Neither is permitted in the RTA district [portion of Beach Hill] nor the RTD district [Beach Flats]

Lodging Industry Business License

There is currently no criteria or inspection process established for the lodging industry through the zoning code or the business license process. There are no minimal industry standards required for applying for a lodging industry business license.

- a. This plan recommends a review, in conjunction with lodging industry representatives, the Lodging Association and the Conference and Visitors Council, by the staffs of Planning, Finance, and Redevelopment the desirability of developing minimal lodging industry standards as a basis for applying for the business license. Discussions should address the issue

of annual pre-issuance inspections and any potential fee schedule to cover the cost of these inspections.

- b. Recommendations should address reviewing business registration procedures upon sale or transfer of title, and consider the desirability of inspection and financial audit as part of new ownership business registration.
- c. Staff should review and revise existing definitions in the codes (as recommended above) and modify RTC and RTB zones to incorporate design standards and any new criteria as well as **special use permits and design permits** for all lodging facilities.
- d. The issue of “transient” and “extended stay” facilities should be addressed and clarified in both the zoning text and taxation code.

Explore Funding Options for Beach Area Improvements

Operators of a lodging facility, like other business owners, are required to register with the Finance Department and renew an annual business license. The current business license is composed of a base rate of \$145, and a graduated rate of \$4.95/per employee. Voter approval is needed to increase this business license fee.

It is instructive to understand how national chains value the “business license fee” in establishing franchise fees. For example:

“To affiliate an economy property with Comfort Inn requires an initial fee of \$300 per room and ongoing fees of 8 percent of gross room revenues. In addition to the \$40,000 initial fee, an 85 room Comfort Inn that achieves an average daily rate (AD) of \$57 at 70 percent occupancy would incur approximately \$99,000 in annual ongoing franchise fees.” [M.Chase Burkitt, “Hotel Franchising,” *Urban Land*, May, 1996].

Options:

- Request voter approval for increase in the business license fee based on cost of living index. Dedicate increment to Beach Area improvements.
- Request Department of Planning to explore with the City Attorney, Head of Finance and Redevelopment, and lodging industry representatives possibility of additional sources of revenue to support Beach initiatives. Among sources, explore concepts of Assessment District and lodging industry fees.

Establish Annual Beach Lodging Audit Cycle

Regulations regarding TOT are incorporated in the Revenue and Taxation Code, 3.28.010, Chapter 3.28. These regulations require all operators to register with the Department of Finance, to obtain a Transient Occupancy registration certificate, report quarterly on rents received, and pay the TOT.

Additionally, operators are required to maintain records for inspection. There are 77 registered lodging facilities in the City and one auditor. Routine audits are carried out on

individual facilities approximately once every three years. If discrepancies are found which exceed a 10% margin of error, staff has the option to charge for return visits.

If changes are adopted in terms of criteria and inspections for the lodging industry, a series of information seminars — targeted particularly to the operators of the smaller facilities — should be considered in order to provide assistance in record keeping and facilitate the City's timely review of records.

Additionally, staff should establish a fee schedule of cost recovery of staff time for return audits.

E. MARKETING OPPORTUNITIES FOR SANTA CRUZ

The marketing of the Beach, Boardwalk and Wharf has positioned Santa Cruz as one of the premier recreational locations for families and for those who are seeking a day at the beach. The following discussion identifies two additional market segments for consideration.

1. Heritage Tourism Market

Industry Trends

A recent study by the Travel Industry Association of America titled *The Profile of Travelers Who Participate in Historic and Cultural Activities*, (Aug, 1997) documented the tremendous economic potential for the tourism industry in the area of cultural and historic tourism, one of the fastest growing market segments.

The first comprehensive look at the profile of this traveler found that: this group of travelers spends, on average, \$615 per trip compared to \$425 for all U.S. travelers; hotels, motels and B&B establishments are used 56% of the time, compared to 42% for all travelers; shopping is part of the trip for 45% of this group, compared to 33% of the U.S. travel population; and average number of nights away per trip is 4.7 nights compared to 3.3 night for all U.S. travelers. Air travel is their primary mode of transportation.

In summary, this group of travelers stays longer and spends more on lodging, restaurants and shopping while visiting cultural and historic attractions.

Governmental Support

For the past decade and one-half, the Federal Government has become increasingly interested in tourism, and heritage tourism in particular, as an economic development tool to replace some of its older programs. In particular, the U.S. Department of Housing and Urban Development, the U.S. Department of the Interior, and the U.S. Department of Commerce have begun sponsoring specific heritage tourism projects.

In August, 1997, the Secretary of Commerce, Andrew M. Cuomo announced the award of \$74.2 million in low-interest loans and \$56.8 million in grants to communities along the Erie Canal to stimulate their revival as a National Heritage Corridor. The Department of Interior is anticipated to support this effort.

For the past several years, the Department of Interior has been responding to Congressional pressure to create a formal "Heritage Partnership Program." Since the Department has no



formal criteria for participation, individual Congressional sponsors have nominated specific “Heritage Areas” by introducing bills and holding hearings. To date, ten (10) heritage areas have been funded to the tune of \$10 million/area. The only consistent requirement for approval has been for a “Heritage Area Management Plan”.

In addition, the Department of Interior also manages the National Maritime Heritage Grants Program which is designed to “preserve historic maritime resources and promote greater public understanding and appreciation for this heritage.”

Role for Santa Cruz

This planning process has identified the great strength of Santa Cruz’s rich historic legacy in the Beach Area and has specifically designed recommendations which build upon it. Among its major historic assets are:

- the Boardwalk: the last remaining Pacific Ocean Park in America, designated a California State Historic Landmark in 1989,
- the 1911 Charles Looft Carousel, a National Historic Landmark,
- the Giant Dipper Roller Coaster, a National Historic Landmark,
- the Santa Cruz Historic Wharf,
- the La Bahia Apartments, listed on the Santa Cruz Historic Building Survey,
- the Southern Pacific Depot, listed on the Santa Cruz Historic Building Survey, and
- the proposed Historic Preservation District of Beach Hill.

The study’s recommendations regarding zoning, design guidelines and development standard combine to reinforce the historic underpinnings of the Beach area. The sensitive expansion and reuse of the La Bahia into a quality conference hotel, the review and revitalization of the Wharf, the return of a charming, historically designed open air shuttle will all contribute substantially to recreating the historic ambiance of the Beach’s earlier resort style. Linkage with the rebuilt Downtown shopping district is a definite plus.

Recommendation: Develop Heritage Tourism Strategy

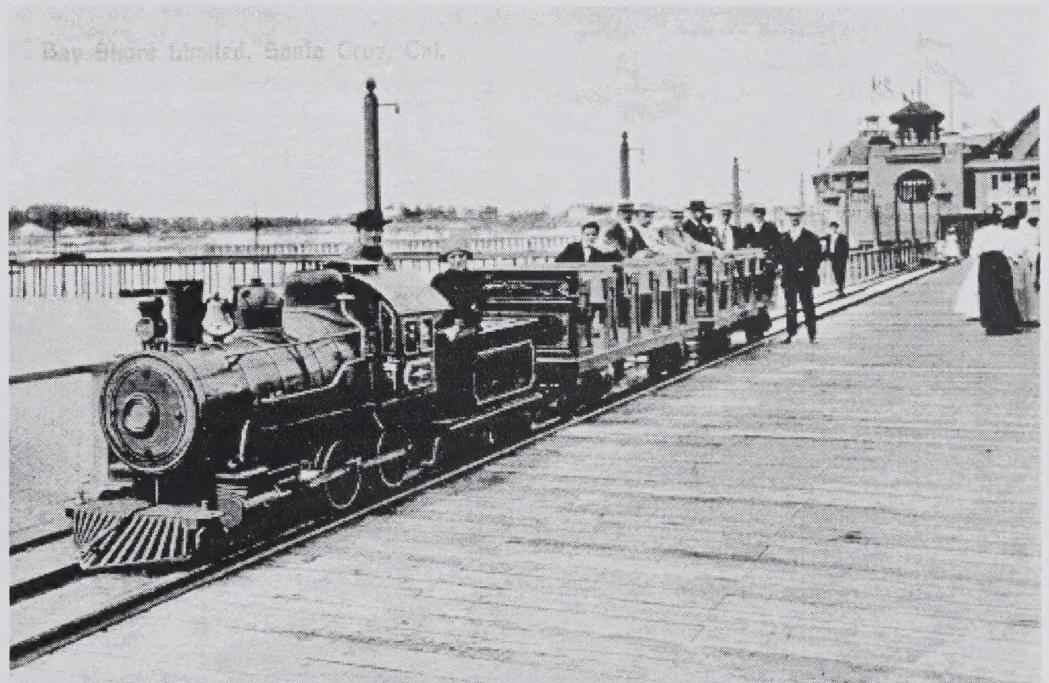
- a. Develop Heritage Tourism marketing strategy, emphasizing historic assets of the Wharf, the Boardwalk, surrounding neighborhoods - particularly Beach Hill and Downtown neighborhoods - develop, in conjunction with Historic Preservation Commission, walking tours to include above and link with Holy Cross Church & Santa Cruz Mission - include museums; tie-in restaurant promotions; tie-in with bed and breakfasts; coordinate schedules with University/Theaters/art exhibits/wine tasting. Promote bike, rail and shuttle in strategy.
- b. Develop Heritage Tourism funding strategy including U.S. Congressional/Senatorial officials. Examine feasibility of becoming a formal “Heritage Area”. Invite HUD, DOI, and DOC officials to series of walking tours and briefings. Solicit support from State representatives. Examine feasibility of Maritime Heritage Funding in conjunction with National Marine Sanctuary designation.



2. Expand Local Market

Jurisdictions often leave untapped one of their greatest captive market segments — the local resident. However, local support of areas undergoing revitalization is absolutely crucial to their long-term success. Local residents in Santa Cruz display a certain ambivalence about the Beach area, both pride and concern.

Recent programs undertaken in the last five years by the Department of Parks and Recreation, particularly the events on the Wharf such as Jazz on the Wharf, Woodies on the Wharf, etc have demonstrated the potential strength of activities designed to attract local residents. In addition, the Wednesday night programs by the Boardwalk targeted to local families and events such as the Haunted House have been extremely successful in attracting many residents again to the Beach area in the shoulder season.



Recommendation: Expanding Local Marketing Efforts

Prior plans and studies have identified the importance of integrating the major assets of the Beach Area, the Beach, the Boardwalk and the Wharf. The City has successfully implemented the recommendations of the *Beach Street Promenade Design Plan* physically linking the Wharf with the promenade.

This study strongly endorses these efforts and recommends examining the potential of joint marketing/programming between the Boardwalk, Beach area businesses and the Wharf targeting local Santa Cruzans for both mid-week and off-season activities.

While local programming and marketing executives should develop the events schedule, among the activities which could be considered are:

1. Tie-in Wednesday night sailing, restaurant discounts, Boardwalk childrens' discounts. Consider closing Beach Street between Pacific and Main, from 6:30 - 10:00 for music in the streets. With shuttle, promote tie-in with Downtown shopping/dining.
2. Encourage arrival by boat. Aggressively pursue local mooring program and encourage water taxi arrival from the Harbor and Capitola. Examine potential for expanded landing platform on the Wharf.
3. Consider recreating Venetian Water Carnivals with local boats parades off Wharf, water contests, etc. Tie-in with Harbor.
4. Provide circulation linkage between Boardwalk and Wharf. At the turn of the Century there was a small train which carried passengers from the Boardwalk to the Wharf. Consider bike taxi, golf cart taxi or pedicab service.



**XVI. URBAN DESIGN: EXISTING CONDITIONS
& RECOMMENDATIONS**

XVI. URBAN DESIGN¹

A. OVERVIEW

Urban design improvements within the Beach and South of Laurel areas will be realized through specific actions presented throughout this Plan, as well as through the accompanying design guidelines and development standards. The purpose of this Chapter is to outline the basic framework of urban design recommendations for the planning area, providing a conceptual basis for the entire set of proposed improvements.

The urban design recommendations draw upon both current and past planning efforts. Selected recommendations are adapted and synthesized from previous documents including the *Beach Area Plan* (1980), *Beach Area Plan Strategy* (1996), *South of Laurel Plan Strategy* (1995), *San Lorenzo River Design Concept Plan* (1987), *Beach Street Promenade Design Plan* (1991), *Downtown Recovery Plan* (1994) and the *History and Future of the Santa Cruz Waterfront* (1997), all of which proposed improvements to public streets and open spaces in the planning area. The recommendations address key urban design issues identified through analysis of the area's natural form, circulation corridors, commercial and residential development pattern and open space system.

B. URBAN DESIGN ANALYSIS

1. Natural Form

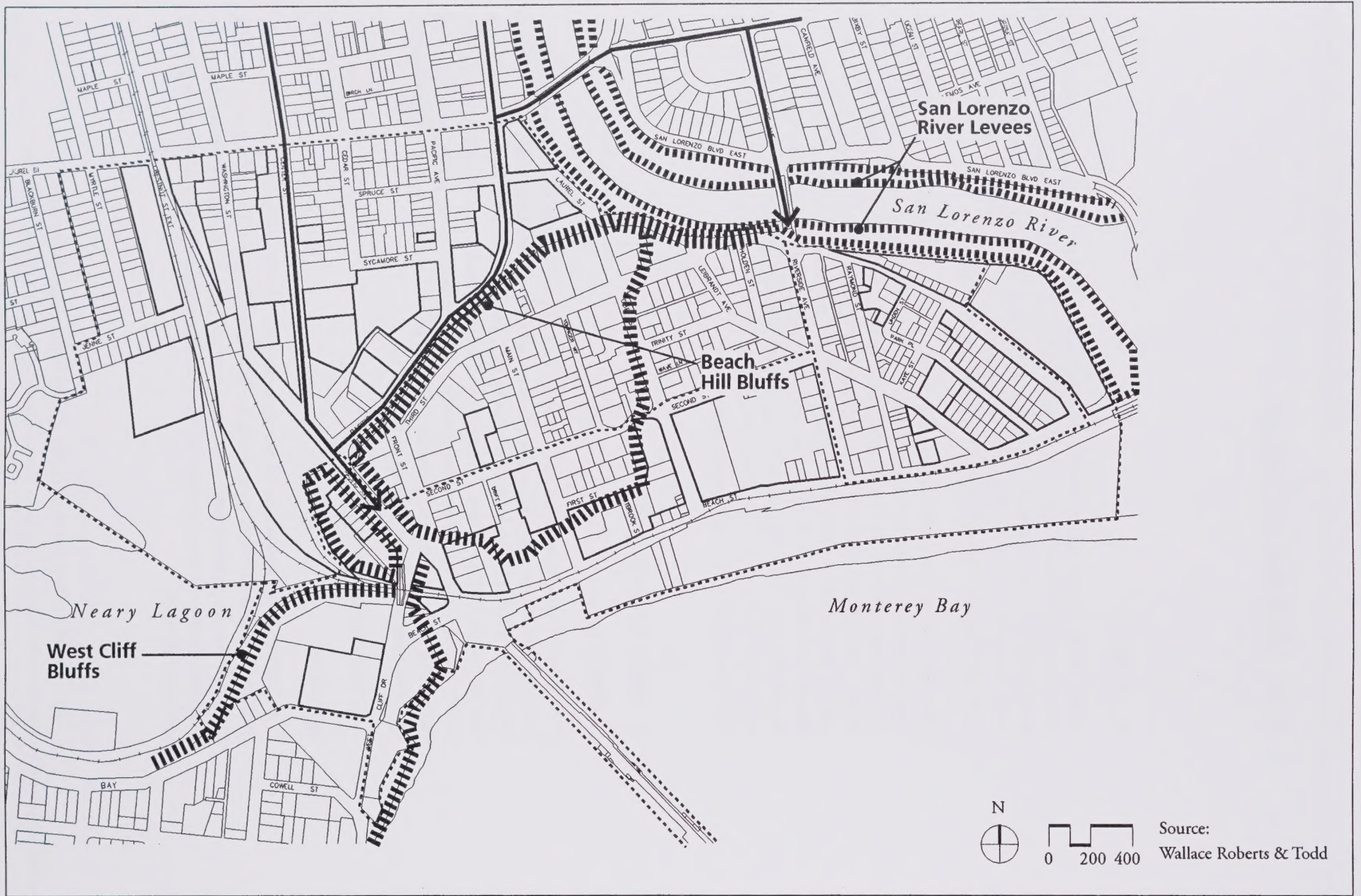
In addition to the oceanfront and the mouth of the San Lorenzo River, the most significant natural features of the planning area are the coastal bluffs around Beach Hill, West Cliff and Upper West Cliff. Coupled with the levees lining the San Lorenzo River, these landforms visually and physically separate the beach area from downtown and other adjacent parts of the city. Stone and concrete retaining walls reinforce many of the bluffs, creating strong vertical edges along streets and sidewalks. Beach Hill's mature trees add to its presence as a significant barrier between downtown and the beach.

2. Circulation Corridors

Approaches

There are two major approaches to the planning area: the Front/Pacific Avenue Extension corridor that connects the planning area to downtown; and the Riverside Avenue corridor that connects the planning area to Ocean Street and the beach exits from the highways. Both are circuitous routes that have little, other than signage, to identify them as primary routes to the beach.

¹ This Chapter has been prepared by the firm of Wallace Roberts & Todd.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 63

Urban Design: Topography, Access

Front Street parallels the river and provides a through route between the highways, downtown and Pacific Avenue Extension (formerly Washington Street Extension). Center Street, on the other side of Pacific Avenue, also links the Downtown to Pacific Avenue. Pacific Avenue itself is the spine of the rebuilt and revitalized central business district, but one-way circulation patterns prevent its use as a direct connection to the beach.

Beach Street

At the heart of the Beach Commercial area, recently installed sidewalks, crosswalks and lighting create a pedestrian promenade on the ocean side of Beach Street. Clumps of Mexican fan palms give the street something of a resort character. However, the north side of the street needs additional design attention. Parked cars lining both sides of the street and large expanses of parking at the Wharf, the Main Beach lot and the River lot dominate the image of what should be the “signature” street of the resort district.

Laurel Street

Laurel Street is the only east-west through street in the project area, collecting traffic from downtown and South of Laurel neighborhoods and giving access to highways and other parts of the City via the Laurel Street Bridge and Front Street. Because of the street’s heavy use, South of Laurel area residents feel the need to protect their neighborhood borders from any intrusion of Laurel Street traffic. While the neighborhood street pattern offers little potential for shortcuts, this Plan recommends strengthening the residential character of these streets through specific gateway treatments.

3. Development Pattern

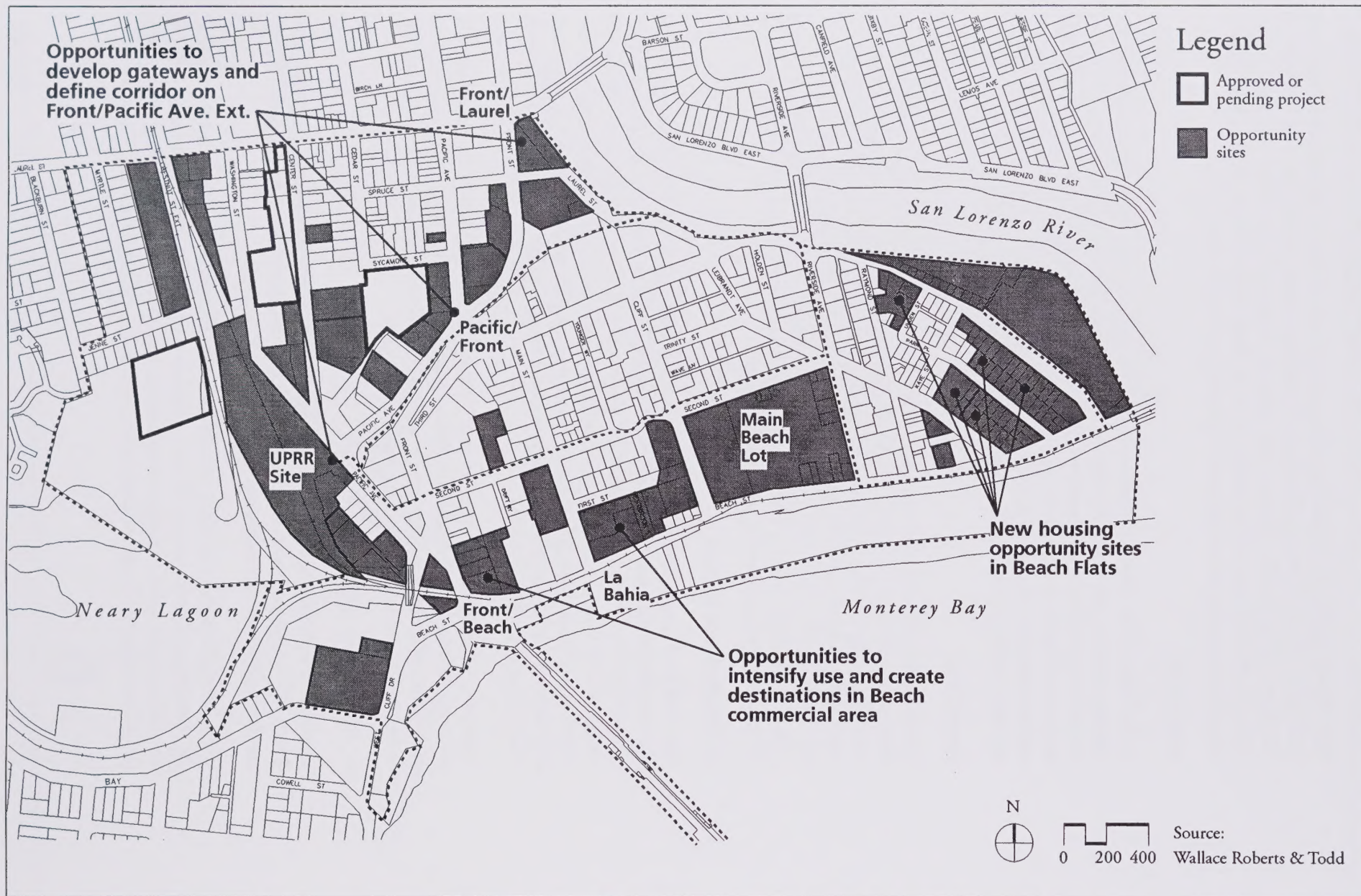
The South of Laurel area is currently on the margins of both Downtown and Beach Commercial development. The corridor from Laurel Street Bridge to the planned traffic circle at the Depot site is dominated by used car lots and repair yards which convey the character of a fringe area, as opposed to a key connection between downtown and the beach. The plan identifies a number of opportunity sites along this corridor for commercial and residential infill and redevelopment to create stronger, more cohesive and well-defined commercial and residential areas.

A second concentration of opportunity sites occurs along Beach Street in the Beach Commercial area. In this area, the Main Beach parking lot, the Surf Bowl, La Bahia apartments and the corner property at Front and Beach could all be redeveloped to contribute to the vitality and continuity of the Beach promenade.

4. Open Space System

Elements of the planning area open space system are the San Lorenzo River trail system, the Beach Hill pedestrian stairs, trestle area trails and connections to Neary Lagoon, and of course the beach, Beach Street, the Wharf and the Boardwalk.

From an urban design perspective, the public streets offer the best opportunities to redefine the character and perception of the area. Both new pedestrian-oriented development and streetscape improvements could encourage active pedestrian use to extend from the Boardwalk and Wharf along the length of Beach Street and up Pacific Avenue toward Downtown.



C. URBAN DESIGN RECOMMENDATIONS

Urban design recommendations contained in this Plan address five general issues:

- Beach Commercial Area Character
- Beach Area Approaches and Gateways
- Linkage to Downtown
- Neighborhood Edges
- Neighborhood Gateways

1. Beach Commercial Area Character

Discussion

In contrast to the richly detailed and grandly scaled resort hotels which looked out over the beachfront in the early part of the century, today's Beach Commercial area is characterized by modest motels dating from the 1940s, with parking lots dominating the streetscape. The area surrounding the proposed traffic circle at the foot of the Wharf should be a lively, active commercial center anchoring the end of the beach resort district. Prime sites such as the Ramada Limited and the corner of Beach and Front should be developed with landmark buildings. Instead, the intersection is surrounded by parking lots and aging, low-scale commercial and motel buildings.

Development on opportunity sites should recapture the architectural character, pedestrian environment and variety of activities that distinguished the beachfront in the past. With intensified pedestrian-oriented retail, hotel and conference center uses, tied together by a completed promenade streetscape, the Beach Commercial area could become a unique district within the City and a year-round destination for local residents as well as visitors.

Recommendations: Opportunity Sites

Redevelopment of Ramada Limited site with a larger, landmark hotel building. The prominent blufftop above upper West Cliff Drive is an ideal site for a landmark Victorian-style hotel overlooking the city, beachfront and ocean.

Triangle site at the foot of Front Street. Intensifying use of the triangle bounded by Pacific, Front and Second St., now used for parking and a small restaurant, helps to create a pedestrian-oriented retail area on the first block of Front St. A larger building on this site both gives emphasis to the confluence of Front and Pacific Ave. Extension, and further defines the edges of the corridor to the beach.

Site northeast of the trestle. A commercial (restaurant) building on this site helps to define the street edge and complements the historic Depot, relocated to the adjacent site.

Corner of Beach and Front. A 3 -4 story new commercial/retail building holding this prominent and underutilized corner would incorporate two levels of parking built into the slope at the rear of the site. The new building facade would curve around the corner to draw the eye onto the Beach Street corridor. Stepping back of portions of the facade above the high ground floor creates terraces with sweeping views of the wharf and beachfront. This building marks the beginning of the predominant Spanish Colonial Revival style along the Beach Street corridor.



Existing View of Pacific Avenue Extension, looking toward downtown.

La Bahia hotel/conference center. The La Bahia hotel/conference center incorporates and preserves the existing historic structures fronting on Beach Street, as well as the existing courtyards. The new development extends east through vacated Westbrook Street and incorporates the adjacent motel site.

Retail/Entertainment Development on the Main Beach Parking Lot. A retail/entertainment development on the Main Beach lot could be considered after a community-based planning process. The Main Beach Lot is sited along Second Street in a manner that could support development of a future parking structure with the potential for retail/entertainment sites wrapped around the Beach, Cliff and Riverside Avenue frontages. A re-creation of the “Spanish Arches” crosses over Beach Street to connect the retail, entertainment and parking structure directly to the Casino and Boardwalk.

Recommendations: Form, Character and Massing

Victorian character in new development along Pacific Ave. Extension and on upper West Cliff Drive. Victorian style links West Cliff and Beach Hill neighborhoods visually, and is appropriate to the historic Depot. At 3 to 4 stories, plus turrets and other elements, the hotel above West Cliff Drive has the most ornate treatment of these three developments, creating a visually memorable landmark on the skyline at the end of the beach corridor.

Spanish Colonial Revival architectural character. Facade improvements and new development emulate the character of the beach area’s past as represented by the La Bahia and Casa Blanca complexes, with highly articulated stucco facades, varied rooflines of terra cotta tile, towers, parapets, balconies and terraces.

Potential additional height in the Beach Commercial Overlay District. Buildings in the Beach Commercial Overlay District may be allowed an extra floor of height, which must step back from the street frontage. Towers, cupolas and other roof elements may extend above the height limit.



Development of vacant and underutilized sites defines a gateway to the beach area.

Recommendations: Streetscape

Gateway circle island. The island in the center of the traffic circle is distinctive, but subordinate to the ocean and wharf in the view down Pacific Avenue Extension. The landscape area within the circle is a prime opportunity for site-specific public art. However, because the view to the ocean is framed by buildings until it finally opens out at the circle, elements in the circle should provide a foreground for appreciation of the view beyond, rather than trying to be the primary focus of attention. Therefore, palm trees, structures or massive objects in the circle would be inappropriate.

Traffic circle. The traffic circle is paved with a cobble-like interlocking concrete paver, or cobble-patterned concrete, in gray granite color range, laid in a circular pattern. Lighter-colored pavers may be inset in place of painted pavement markings to indicate lane striping, directional arrows, etc.

Street tree planting of Mexican fan palms. The same palms used on the south side of Beach Street are planted (singly) in the parking lane on the north side of Beach Street, completing the palm-lined Beach Street Promenade.

New 2-way bike lane. The parking lane on the south side of Beach Street is converted into a 2-way bike lane which would also accommodate bike taxis.

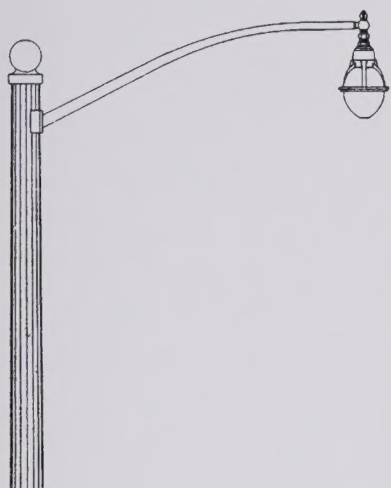
Historic street lighting. Traditional Victorian double lamp posts, similar to those which stood along Beach Street in the 1920s, should eventually replace the existing contemporary pedestrian lights. Traditional cast posts with “teardrop” luminaires should ultimately replace tall “cobra head” street lights.



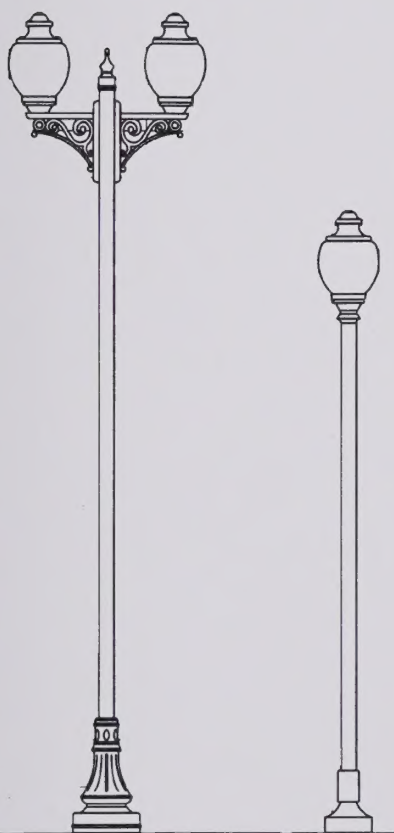
Existing view of Beach Street.



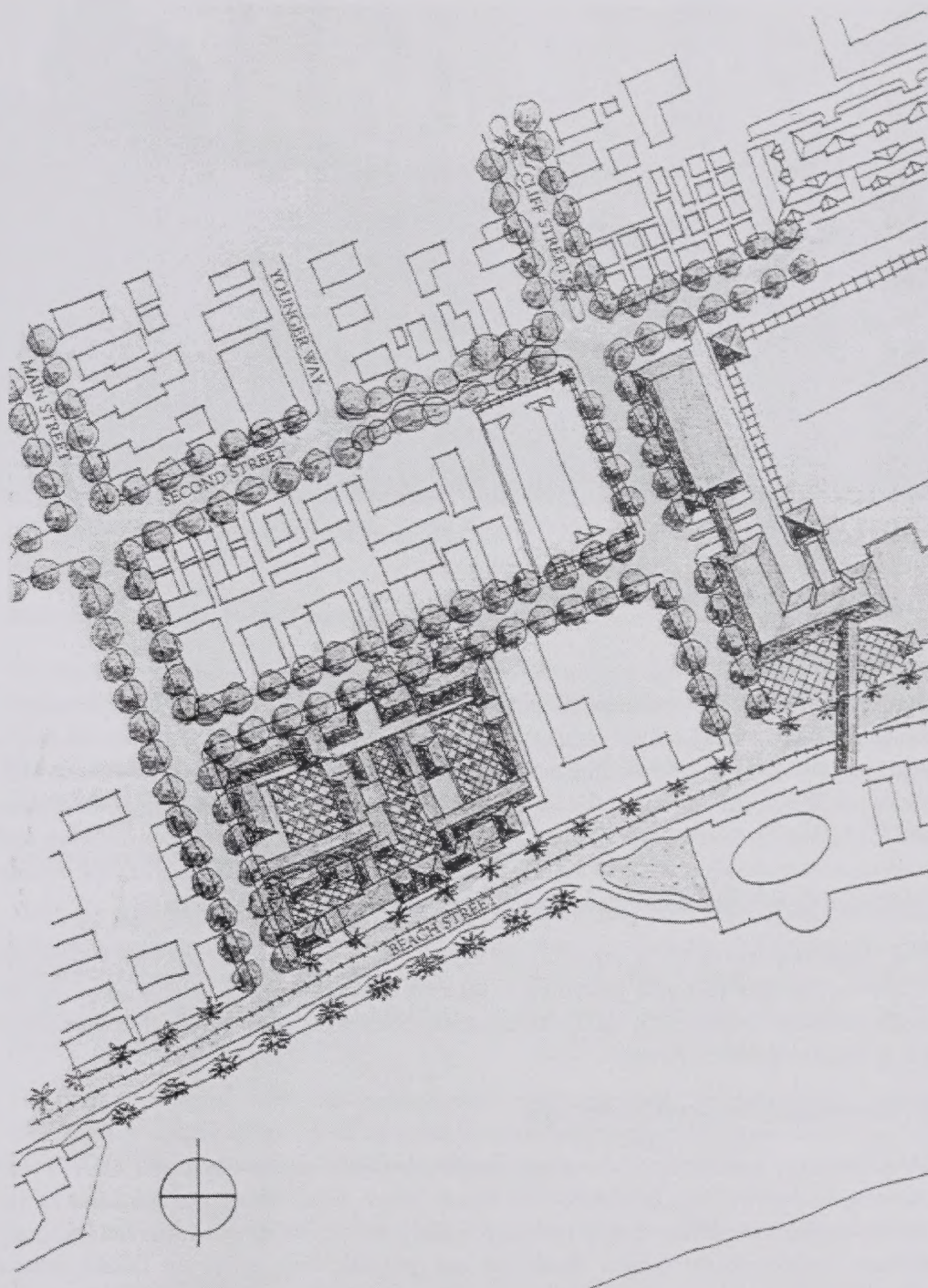
Intensified development and a completed streetscape give Beach Street character and vitality.



"Teardrop" street light



"Victorian" pedestrian lights



One option for possible development on the La Bahia site.



Existing view of the approach to the beach and wharf, from Pacific Avenue Extension.

2. Beach Area Approaches and Gateways

Discussion

Santa Cruz visitors and residents alike should be able to find their way through the city to the beach through a system of clear visual cues. However, the Beach Commercial area is essentially hidden from view of the major highways and the downtown core by Beach Hill, the upper West Cliff bluffs and the San Lorenzo River channel. Both the Riverside Avenue and Front/Pacific Avenue access routes are awkward and circuitous, and lack buildings and landscape that convey a sense of approach to a beach resort area. The streetscape is auto-oriented with minimal accommodation of pedestrian, bike and shuttle traffic.

The major opportunities to improve the urban design character of the beach approach center on planting palms as landmark street trees and brightening stone walls along the beach streets, accompanied by infill of underutilized sites to create stronger building definition along Front and Pacific Avenue.

Recommendations: Opportunity Sites

Development of underutilized sites along Pacific Avenue Extension. Redevelopment of sites fronting on Pacific Ave. Extension—at Beach Street, Front Street and northeast of the trestle—replaces the diffuse zone of parking lots and low-scale buildings with an architecturally defined corridor to the beach. Buildings are generally built up to the Pacific Avenue sidewalk.



The Pacific Avenue approach to the beach and wharf is framed by palms and flowering vines.

Recommendations: Form, Character and Massing

Transition from Beach Hill Victorian to Beach Street Spanish Colonial building character. Pacific Avenue Extension is defined by three to four-story buildings of a Victorian character similar to those of Beach Hill (on the triangle site at Front and Pacific Extension) and Spanish Colonial Revival similar to those along Beach Street (on the corner lot at Beach/Pacific Extension).

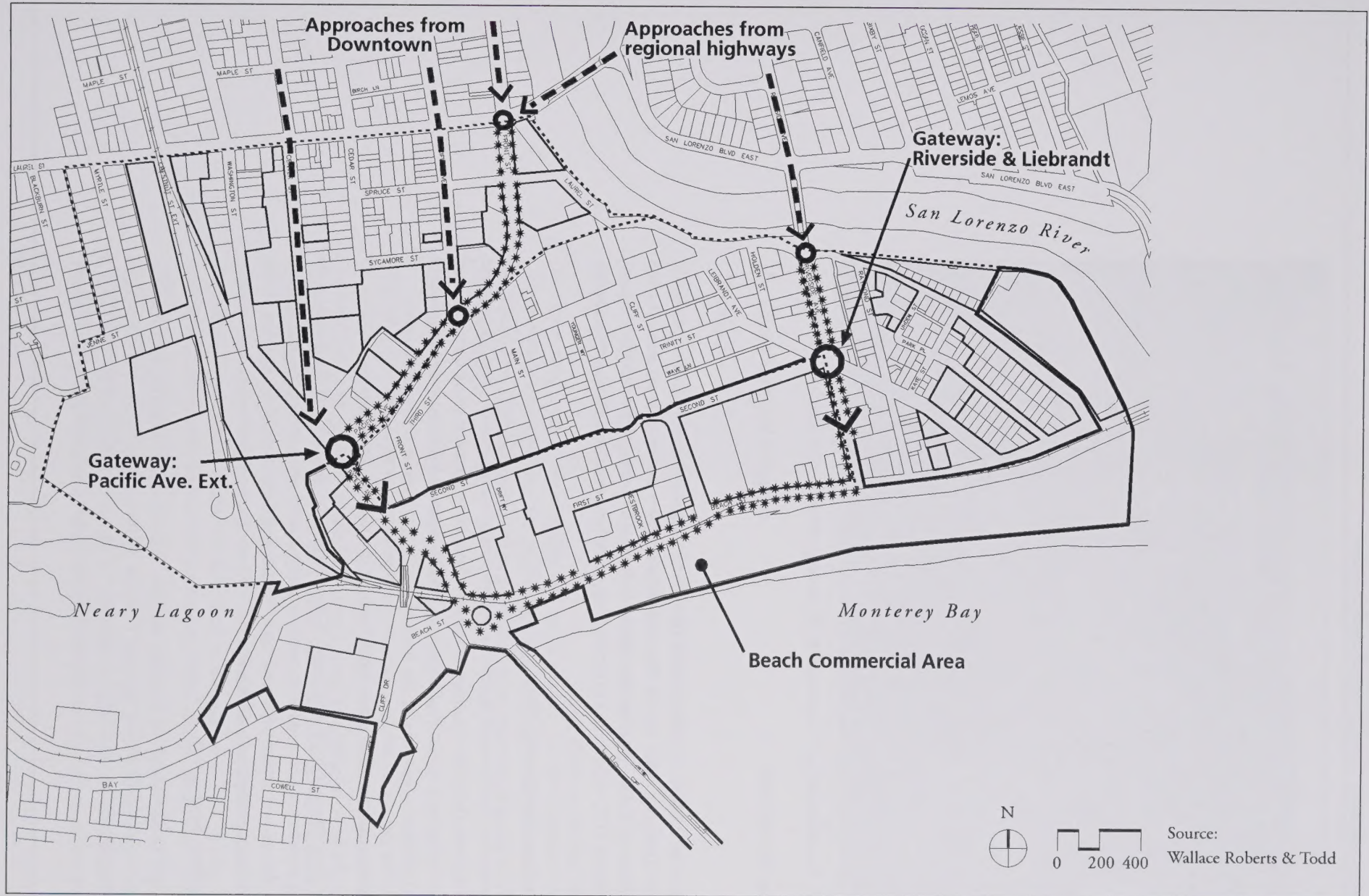
Recommendations: Streetscape

Street tree planting of Mexican fan palms. Tall palm trees line both sides of Pacific Avenue Extension. Planters, similar to those on Pacific Avenue downtown, accommodate the palms. The palms create a continuous visual link to the beach leading from the Front Street Bridge, around Beach Hill on Front, Pacific Ave., Pacific Ave. Extension, to the palm-lined Beach Street promenade.

Stabilization, restoration and accent planting of historic stone walls. Brightly colored trailing vines such as bougainvillea cascading down from the top of the Front Street and West Cliff Drive stone retaining walls enliven the beach approach.



Potential site plan, beach approach on Pacific Avenue Extension.





Existing view of the intersection of Front and Pacific, looking north.

3. Linkage to Downtown

Discussion

Although the same Pacific Avenue that is the centerpiece of the revitalized downtown continues on to the Beach area, the Pacific Avenue downtown improvements end at Laurel Street. Extending the Pacific Avenue streetscape as far as the intersection with Front Street, at the base of Beach Hill, will create a clear meeting place between the downtown landscape and the “beach” landscape of tall palms.

Recommendations: Opportunity Sites

Intensified commercial development marks the intersection of Pacific Avenue and Front Street. The narrow site along the street frontage of the new Sycamore Street housing complex, and the used car lot site facing it across Pacific Avenue, are developed with multi-story commercial buildings sited to create a gateway at the base of the Pacific Avenue downtown spine.

Recommendations: Form, Character and Massing

Buildings hold the corner of Pacific and Front. Corner elements may address the corner at an angle, creating pedestrian plaza space accommodating entries at the street corners. Design standards for downtown streetscape and commercial buildings should be applied to the Pacific Avenue corridor throughout this area

Recommendations: Streetscape

Extend the Pacific Avenue streetscape treatment between Laurel and the Front/Pacific intersection. As in the upper segments of Pacific Avenue, London Plane trees are planted at intervals in the parallel parking lane on each side of the street. A planted median will be developed if there is adequate room in the right-of-way for required traffic lanes and turning movements.



New commercial buildings frame the entry to the downtown at Pacific and Front.

4. Neighborhood Integrity

Discussion

With intensified development in the Beach Commercial area will come new and different conditions at the edge of the Beach Hill and Beach Flats neighborhoods. Several neighborhood edges should be carefully designed and controlled to avoid any negative impacts from adjacent commercial areas.

In order to preserve the livability and attractiveness of the neighborhoods, the plan recommends strengthening the residential fabric through infill development of housing within the neighborhoods, as well as providing for support commercial services within the neighborhoods.

Recommendations: Opportunity Sites

Second Street/Wave Lane residential redevelopment site. Motel properties on the north side of Second St. are redeveloped for high-density residential use. Smaller apartment units developed on this site at the edge of Beach Hill complement family units available in Beach Flats. Ground floor space on Second Street and Riverside Ave. accommodates neighborhood commercial uses.

Beach Flats opportunity sites adjacent to Third Street. The new family-oriented Beach Flats housing will give better image and definition to the edge of the Beach Flats neighborhood and will be developed in accordance with established design guidelines. The new housing will be set back adequately from the sidewalk edge, allowing a typical residential front yard entry. Units will define the perimeter of the area but will respect the scale and massing of the conservation neighborhood. Effective design will establish useful open space for residents of the facilities and shall tie in with the community.



Existing view of the Main Beach Parking lot, from Second Street.

Recommendations: Form, Character and Massing

Stepping of residential development up Beach Hill from the beachfront.

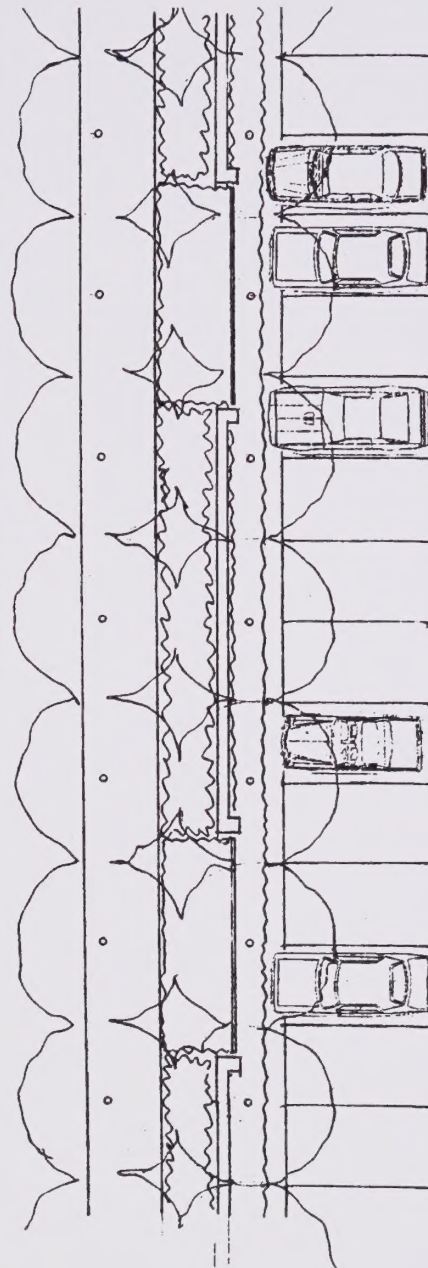
Spanish Colonial Revival architectural style. New development in this area of Second Street (east of Cliff) uses the stucco, tile roofs, wood trim and light colors typical of the Spanish Colonial Revival style.

Articulation and screening of Second Street facade of Main Beach parking site. To break down its scale and mass, the Second Street facade of any development is articulated with bays, towers and openings proportioned to resemble windows and arcades. Trellises over the sidewalk and at the edge of the top level, planters with trailing flowering plants and street trees further soften the facade.

Buildings built to sidewalk edge. Retail frontage is built to the sidewalk edge, with residential units above stepping back to create terraces overlooking the street.

Third Street frontage for new Beach Flats housing. The new housing development along Third Street is set back 15 feet from the sidewalk edge, allowing a typical residential “front yard” accommodating front door entry paths and driveways.

The housing is developed in a Spanish Colonial Revival style, with stucco walls and terra cotta tile roofs and accents. Housing units should have individual entries off the street if possible, or closely spaced entries for clusters of units to maintain the fine-grained, small-lot residential pattern typical of Beach Flats. Single apartment complex entries with security gates should be avoided.



Potential screening and landscaping, River Lot.



Residential/retail redevelopment of Second Street is buffered from potential development on the Main Beach lot.

Recommendations: Streetscape

Setback at Main Beach parking lot site. If a future planning process recommends a parking structure for this site, the face of the parking structure should be set back from the right-of-way line to accommodate planting and an arcade that buffers the structure and brings it down to pedestrian scale. The following illustration incorporates a 6' planting strip for street trees between curb and sidewalk and a 6' sidewalk.

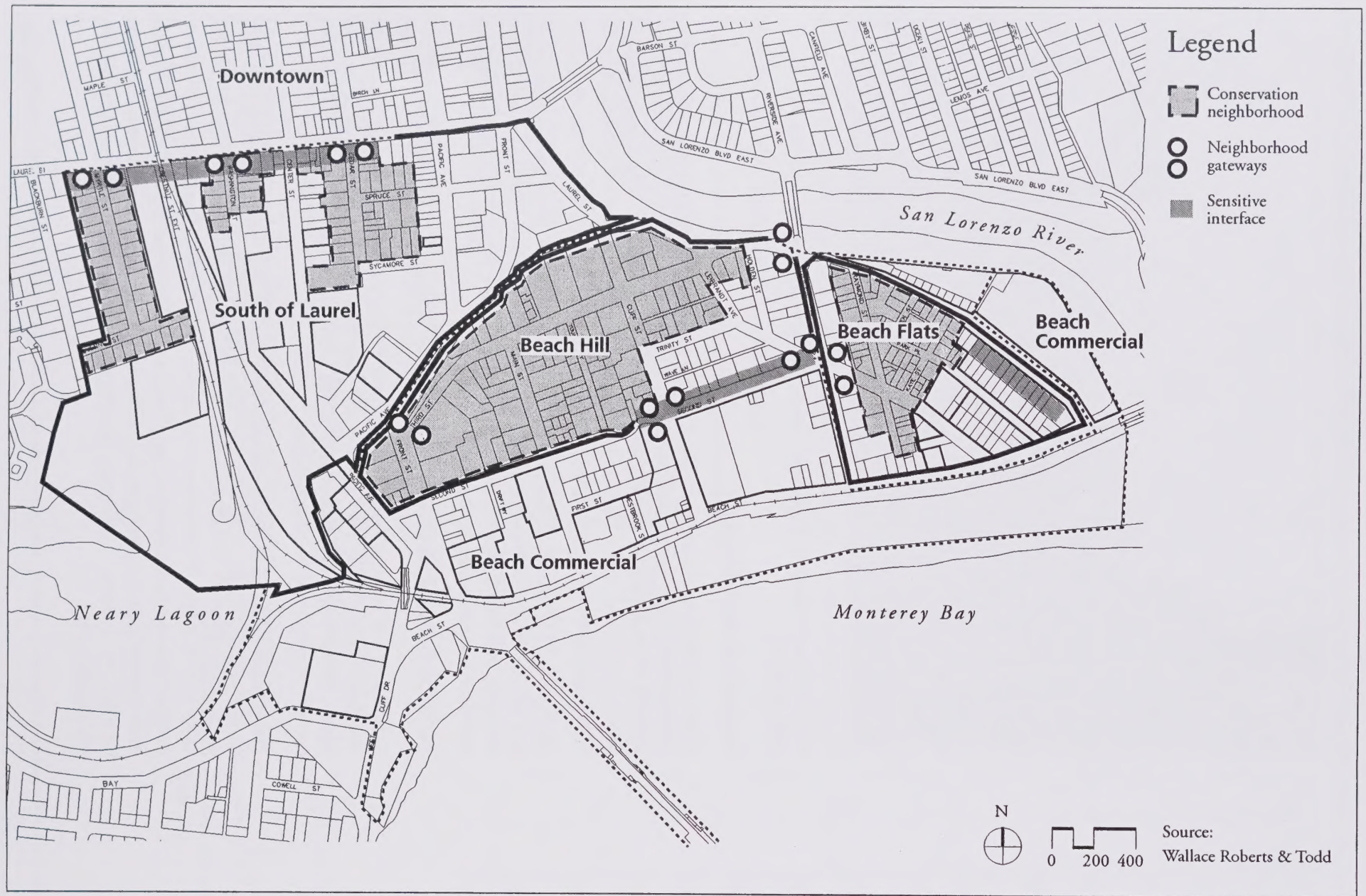
Second Street tree planting of flowering broadleaf evergreen trees. Street trees in front of the new Second St. neighborhood retail are set into the parking lane. On the western third of the street, trees are planted in a planting strip which takes the place of the parking lane to provide additional buffer for the existing cottages.

Use planter boxes, pots and vines for color and interest in hardscape residential open spaces.

Landscaping and potential low wall along River Parking Lot. To protect and improve the view from the new Beach Flats housing, the River parking lot frontage could be screened using a "narrow-scape" approach, incorporating a low concrete or stucco wall with a double row of street trees and varied landscaping.

The screen wall uses sections of metal grillework planted with vines and varying step-backs for variety along the very long frontage. This provides extensive buffering in a non land intensive manner.

Residential streetscape development along Third Street. Third Street is given a more residential streetscape treatment through planting of flowering canopy street trees at the curb edge on both sides of the street. Continuous planting strips are planted with flowering perennials and groundcovers.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 66

Urban Design: Neighborhood Edges



Gateways define entries to conservation neighborhoods in the South of Laurel area.

5. Neighborhood Gateways

Discussion

Within the Beach Flats, Beach Hill and South of Laurel residential areas, certain cohesive residential blocks have been identified as conservation neighborhoods to protect their character and integrity. They include streets of modest bungalows as well as the historic Victorians of Beach Hill. Entries to conservation neighborhoods discourage through traffic, slow turning movements and allow safe pedestrian crossing. Gateway markers at the entries incorporate functional elements, providing seating, street lighting and signage.

Recommendations: Streetscape

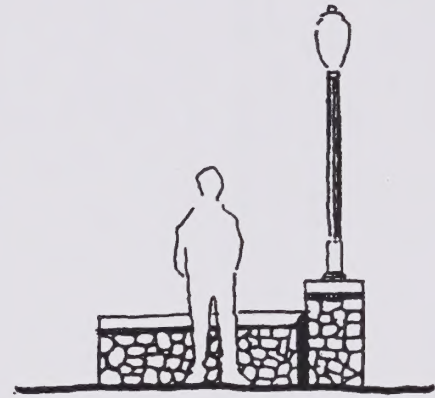
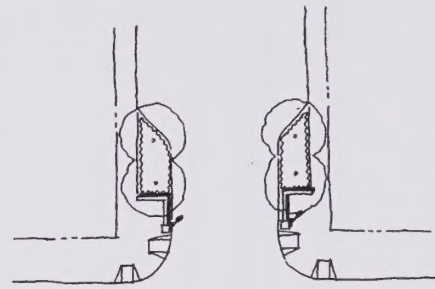
Neighborhood gateways discourage through traffic within conservation neighborhoods. Located at intersections of local neighborhood streets with Laurel, Pacific and other major streets, gateways “neck down” the local street at the corner to provide safer pedestrian crossing, slow down turning cars and alert drivers that they are entering a distinct residential area.

Neighborhood gateways are functional, providing lighting, seating and signage. Gateways are low L-shaped seatwalls protecting the corner sidewalk extension from traffic lanes. The end post near the intersection is mounted with a traditional-style ornamental street light. The street face of the wall carries the cross street name (Myrtle, Cedar, etc.) which can be either incised (stone/concrete walls), inset (tile), or applied (paint or ornamental metal on stucco.)

Gateways are appropriate to the neighborhood architectural character. Beach Hill gateways are more grand and Victorian in character, Beach Flats gateways are Spanish Colonial in character, and South of Laurel gateways reflect their bungalow and cottage neighborhood character.

Gateway plantings give each conservation neighborhood a signature plant palette. Use of distinct flower color, accent plant, etc. at gateways and in the public right-of-way contributes to the identity of each conservation neighborhood.

Each conservation neighborhood is planted throughout with a signature street tree. Because the conservation neighborhoods are small, local streets throughout the neighborhoods should be planted with the same tree rather than attempting to differentiate streets with a variety of trees. Specific neighborhoods could be identified at particular times of the year by, for example, the distinctive blooms of jacaranda or red-flowering gum, or the fall color of Chinese tallow or pistachio trees.





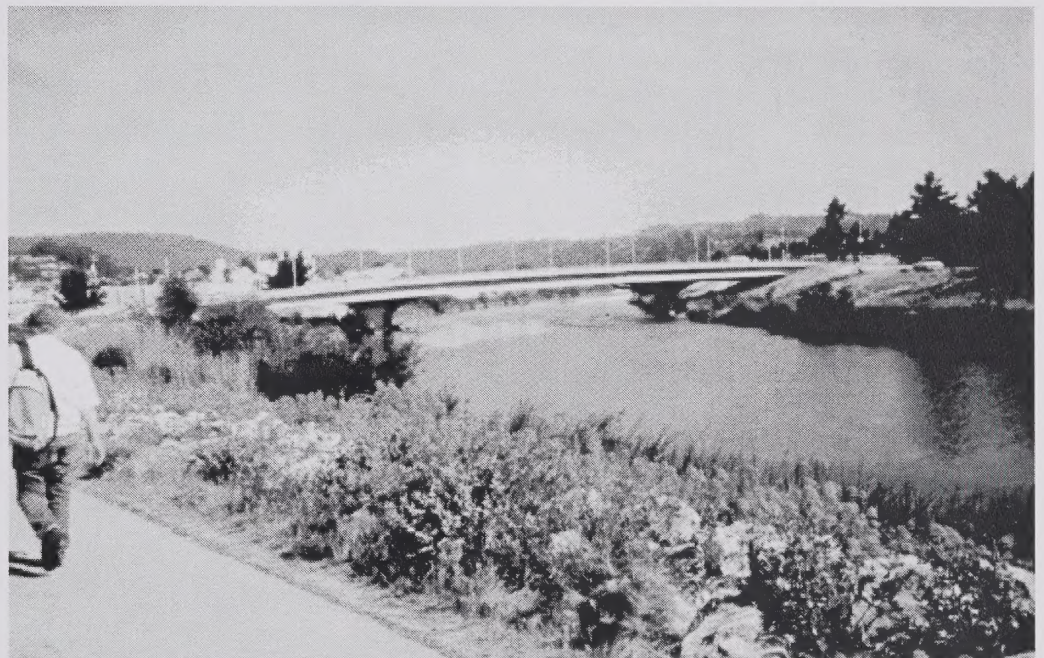
**XVII. COMMUNITY FACILITIES & OPEN SPACE
EXISTING CONDITIONS & RECOMMENDATIONS**

XVII. EXISTING CONDITIONS RECOMMENDATIONS: COMMUNITY FACILITIES & OPEN SPACE¹

A. BEACH AREA: EXISTING CONDITIONS

1. Overview

The two residential neighborhoods of Beach Flats and Beach Hill form the boundaries of the regional recreational open space of the Beach and the Monterey Bay. To the east, Beach Flats is defined by the banks of the San Lorenzo River and to the west, is located the major passive open space of Neary Lagoon.



Few communities in the world possess such a wealth of natural resources at their door. The River, the Bay and the Lagoon play an important role in providing visual and spatial relief at the ends of densely developed residential streets in these neighborhoods.[See following figure].

However, the historic pattern of small lot, dense development, stemming from the 19th century, has made the provision of internal open space a challenge in these communities. This becomes important in the Beach Flats neighborhood which is the most densely populated sector of the City.

¹ This Chapter is based on original research by Keith Boyle of the Department of Planning and Community Development.

Currently, the Beach area is served by approximately 2 acres of neighborhood serving parks, including:

- Raymond Uhden Park - .2 acres
- Beach Flats Park - .3 acres, and
- Mike Fox Park - 1.5 acres.

Additionally, the Carmelita Cottages are owned by the City and operated as a youth hostel in the Beach Hill area.

B. BEACH FLATS: EXISTING CONDITIONS

The Beach Flats neighborhood possesses a combination of formal and informal community facilities. Among the formally maintained facilities are the Raymond Uhden Park, the Beach Flats Park which has been extensively remodeled to address the needs of the young children in the area, and the Community Center at Raymond Uhden Park. A full-time community liaison and resource coordinator staffs the Community Center and organizes a variety of activities for the local residents.

In addition to these resources, there are a series of informal sites which are providing open space to the community. Primary among them are a community garden begun three years ago on privately owned land, and the use of a private parking area for soccer scrimmages in the off-season.

1. Policy Framework

Current *General Plan* policies require 2 acres of neighborhood park facility for every 1,000 residents. According to this standard, the Beach Flats area has a deficiency of about .5 acres of neighborhood park space. While this standard is difficult to achieve in other areas of the City, this policy - if fully implemented in the Beach Flats neighborhood - creates a series of policy conflicts, pitting the goal of providing housing and stabilizing the neighborhood against the goal of achieving additional park space.

The *Beach Area Plan Strategy* recommended that:

- a permanent community center be established in the area, and open space,
- the existing community garden be maintained to the extent feasible until such time that development is approved for the site and an alternative site is located.

Planning activity in 1996 addressed with the opportunities created by the potential realignment of Third Street. However, this is not under consideration in this Plan. At that time, the River Levee was identified as an active recreational loop trail that connected the Beach Flats with the lower Ocean Street area. The river recreation loop concept included improving the existing pathway on the levee to include two-way bike/pedestrian access, a picnic area, optional exercise kiosks, improved access across the railroad bridge and optional sites for gardening activities.

2. Community Facility Issues

There are several public facilities in the area that add to the importance of the quality of life in Beach Flats. They are: the Community Center; the Community Garden; and, parks and open space.

Of the three, perhaps the most crucial to daily life is the current **Community Center** which is in temporary quarters at Raymond Uhden Park. Because of the importance of this Center, this study recommends that a permanent location for the Center be found. There are a variety of possible sites within the “New Development Area” and adjacent to the Third Street Realignment.

The **Community Garden** has generated community concern and support. The concern stems from the fact that the site of the garden is currently on privately owned property which is proposed for eventual development of new housing targeted for homeownership. Any relocated garden, the community has requested, should be located in a central location which would be protected from traffic and provide a unified site. This study recommends that a permanent location for the Community Garden be found.

However, the extremely small amount of available open space within the Beach Flats area makes these criteria extremely difficult to meet. With the understanding that there is no ideal solution to this issue, the recommendations below offer a variety of ways to approach a solution to the need for suitable community facilities.

Option A

- Locate permanent Community Center on Lower Leibrandt on site of Pink Apartments adjacent to existing Park.
- Locate permanent Community Garden on abandoned portion of Lower Leibrandt.

Option B

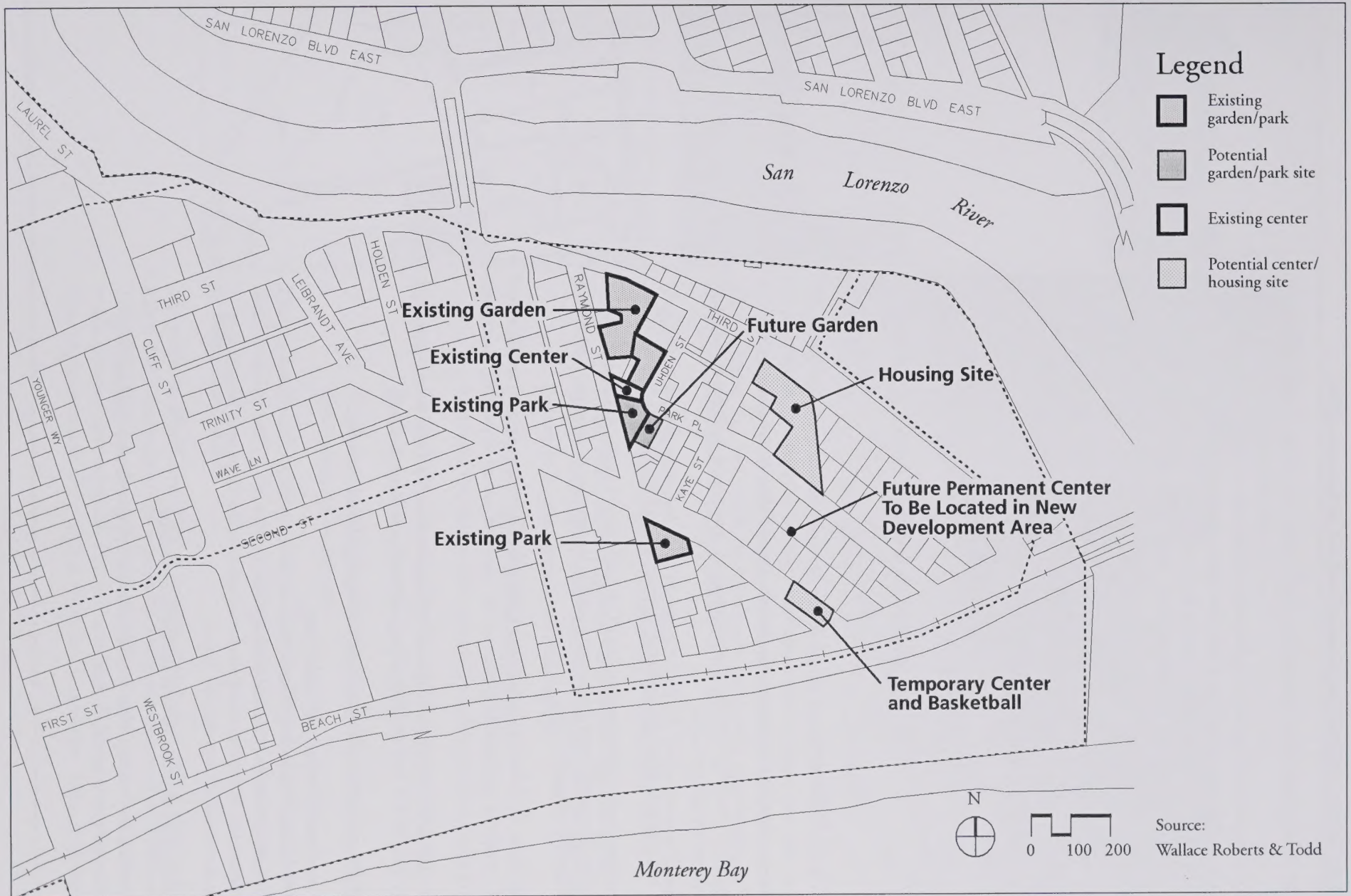
- Locate permanent Community Center at the La Playa.
- Locate permanent Community Garden along River levee.

Option C

- Locate temporary Community Center & basketball court on Lower Leibrandt
- Incorporate permanent Community Center in new development in New Development Area
- Locate permanent Community Garden at expanded Raymond Uhden Park & acquire one adjacent property.

A process is currently being implemented seeking consensus on a preferred option.

Open Space and Programs are essential to the quality of life in this area. The recommendations below address the issue of continuing recreational usage of off-season parking sites in the area, and of encouraging the creation of a picnic area along the San Lorenzo River.



The Phipps Group

City of Santa Cruz - Beach / South of Laurel Area Plan

Figure 69

Beach Flats Existing and Potential Park, Center and Garden Locations



Illustration by Thacher & Thompson

Recommendation: Establish Clear Community Facilities Policy & Programs:

The following policy should govern the development of community facilities in the Beach Flats neighborhood as changes occur:

1. Maintain and improve existing Raymond Uhden Park and Beach Flats Park.
2. Consider abandonment of lower portion of Leibrandt Avenue at Beach Street to provide the location of new temporary community center. Incorporate permanent community center in New Development area.
3. In the near term, the existing community garden should be maintained to the extent feasible. Consider a permanent garden to be relocated on an expanded Raymond/Uhden Park site.
4. If required, one additional parcel adjacent to Raymond Uhden Park, fronting on Park and Uhden (Parcel # 5-644-01) might be purchased to expand this Park.
5. Development agreements with the Seaside Company should include:
 - Levee beautification and landscaping,
 - Provision of a two-way Bike/pedestrian path,
 - Provision of an attractive picnicking area, and
 - Permission to use the triangular lot adjacent to the River near Riverside as an active use area in the off-season.
6. The following programs and services should be continued:
 - funding for existing after-school recreation programs and summer Kids Club programs in Beach Flats.



- funding for the Beach Flats community center programs including the community liaison.
- centralized municipal services and outreach at the community center, such as an emergency services substation, recreation programs, neighborhood improvement program, and related activities.
- encouragement of other social service providers to also operate out of the community center.
- use of the community center to act as a neighborhood focus to direct various community recreation programs and provide access to City personnel including, housing code enforcement, parks and re-creation and police.
- support of the existing social service programs that serve residents in the area.



C. SOUTH OF LAUREL: EXISTING CONDITIONS

1. Overview

The South of Laurel area is currently served by the Loudon Nelson Center which is a one (1) acre park and community center. Additionally Neary Lagoon has been recently upgraded as a 4 acre passive recreation area that serves a community recreation need. The *General Plan* indicates that the South of Laurel area has a poor distribution of neighborhood serving parks and that more will be needed in the future.

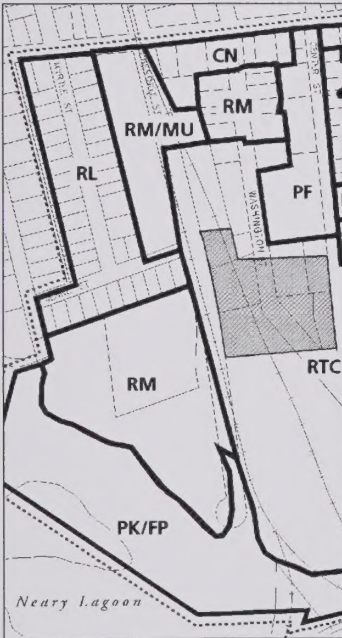
In addition to traditional parks and recreation facilities, residents and visitors in the South of Laurel enjoy major open spaces and natural resources in the vicinity.

- In the future, the San Lorenzo River will be transformed by a number of improvements, most notably an amphitheater on the inside of the levee, pedestrian improvements, and landscaping.
- Neary Lagoon is an important natural park.
- Monterey Bay and beaches are within walking distance.
- Loudon Nelson Community Center, while already heavily used, provides a wide array of recreational opportunities.
- The Santa Cruz High School playing fields and swimming pool are in close proximity to this area.

The expectation of significant additional residential population in the future as this area develops brings with it the need for additional parks and recreation space.

2. Policy Framework

The proposed *B/SOL Area Plan* is consistent with the General Plan in that the South of Laurel Area is the location that is projected for the greatest anticipated increase in population. The *B/SOL Plan* includes an increase of 300-400 units in the South of Laurel area which would generate approximately 900 new residents. The increase in population resulting from implementation of the *B/SOL Area Plan*, in addition to the population increase that



has occurred since the adoption of the General Plan would generate a need for approximately two acres of new neighborhood park space in the South of Laurel area, based on the City's standard of 2.0 acres per 1,000 residents. The General Plan did not identify a deficiency in community park space for this area.

The *B/SOL Area Plan* proposes approximately 2.5 acres of new neighborhood park space in the South of Laurel including:

Park Name	Acreage
Chestnut Street Basketball Courts.	5 acres
Depot Site Active Recreation Field	2.0 acres

The Chestnut Street Basketball Courts and the Depot Site recreation field will provide 2.5 acres of neighborhood park in the South of Laurel area. Therefore, the increase in population resulting from the *B/SOL Area Plan* will be adequately served by neighborhood park space in conformance with the General Plan standard.

The General Plan also suggests that the parks and recreation needs of the area be served by smaller facilities, such as plazas, pocket parks, and paseos. Smaller pocket parks should also be promoted, where feasible. Economic constraints may limit the size and number of parks that are selected. The creation of additional east west pedestrian links, where feasible, in the area to facilitate access to these facilities by the residents is also encouraged.

Recommendation: Develop Package of Community Facilities

The following recommendations should govern the development of community facilities in the South of Laurel and should be implemented as budgets permit.

1. Acquire Depot site to serve a variety of uses. Masterplan six acre site to accommodate 2± acres of active recreational space and 300 parking spaces.
2. Abandon lower Washington Street at the Center Street intersection.
3. Carry out cost-benefit analysis of incorporating Santa Cruz Feed lot site as part of park aggregation.
4. Incorporate transportation hub concept into planning of Depot site to provide transit facilities to local residents and visitors. Pursue "Livable Communities" and ISTEA funding to implement concept.
5. Relocate the old freight station building on the property to serve as a community building and future rail station.
6. Improve the San Lorenzo River levee to provide an additional community "linear park" resource which serves as improved access to downtown in accordance with river design concept plans.



**XVIII. PUBLIC FACILITIES: EXISTING CONDITIONS
& RECOMMENDATIONS**

XVIII. EXISTING CONDITIONS/ RECOMMENDATIONS: SERVICES & INFRASTRUCTURE¹

BEACH AND SOUTH OF LAUREL

A. WATER SUPPLY SYSTEM

1. Existing Conditions

The City's water supply comes from both surface water and groundwater sources of the San Lorenzo River and North Coast watershed areas. Surface water sources including Majors Creek, Laguna Creek, Liddel Spring, San Lorenzo River and Loch Lomond Reservoir account for about 94% of the total supply. Water is pumped from the supply sources to the Graham Hill and Beltz water treatment plants and is then distributed to residents.

Existing water mains in the Beach and South of Laurel are in generally substandard condition, with at least one-half of the lines being 4-inch diameter cast iron pipes dating back as long ago as 1890. Typically, 4-inch mains are considered undersized except in the last 300-feet of cul-de-sacs. Some of the existing fire flows in the project area are deficient by today's standards, because of these undersized water mains.

2. Constraints

According to the *General Plan*, the existing water supply sources, with certain upgrades, are capable of meeting year 2005 demands under high growth scenarios in about 90% to 95% of all years. Minor supply deficiencies requiring voluntary conservation efforts would occur in roughly 8% of all years, and major deficiencies would occur only under rare, extreme drought conditions.

However, the Water Department is concerned about being at a service limit near the end of the planning period. It is believed that it is critical to act now to augment supply so that the City can continue to meet the populations water needs beyond the year 2005.

Recommendations

Many of the water lines in the project area need to be replaced to support new development that is proposed in the Master Plan. When selecting a main for replacement, the Water Department looks at various factors including ability to serve future domestic and fire demands, leak history, age of pipe, improvement to the transmission and distribution grid system, and improvement for water quality. Typically, 4-inch mains are upgraded to 6-inch diameter size, unless the main is considered to be used for transmission purposes.

¹ This Chapter has been prepared by Keith Boyle of the Department of Planning and Community Development.

The following upgrades will be needed to serve new development in the Beach and South of Laurel, based on the previously mentioned factors:

- Replace 4-inch main in Main Street
- Replace 4-inch main in Riverside Avenue
- Replace 2-inch main in Leibbrandt Street
- Replace 4-inch mains in Center and Washington Streets

Additional upgrades may be needed to improve the overall water supply system in the Beach and South of Laurel area. With future development in the Beach Flats area, a transmission improvement in San Lorenzo Boulevard and/or Center Street may be needed to bring better flows to the area.

If a development project fronts a main considered inadequate to satisfy the minimum standards of service, the developer may undertake the main replacement at their expense and may be eligible to receive future reimbursement from the City. Also of note, the City Council may elect to declare a moratorium on new service connections due to drought conditions or some other water emergency.

This study recommends the following:

- a. Improve water facilities and services to accommodate the demands of existing and potential development.
- b. A water line deficiency report shall be prepared by the Water and Fire Departments which identifies water lines that are deficient and may potentially be replaced or upgraded as development in the Beach and South of Laurel progresses.
- c. Per City Council direction in adopting this Plan, work should begin immediately on a viable water plan for the City.

B. SANITARY SEWER SERVICE

1. Existing Conditions

Sanitary sewer service in Santa Cruz is provided by the Santa Cruz wastewater Treatment Plant, located at Bay and California Streets. The WWTP and a 12,000 foot ocean outfall provide an advance primary level of treatment, which meet the discharge requirements of the California Ocean Plan. The WWTP will be upgraded to a secondary treatment facility in December of 1997. The WWTP has an average dry weather flow capacity of 17 million gallons per day. In 1995, the ADWF was 9.1 MGD with 4.8 mgd of the total within the City. Given the capacity of the WWTP, future population growth within the Beach and South of Laurel will be able to be accommodated.

2. Constraints

The sanitary sewer wastewater collection system in the study area is generally good, with available capacity to serve future growth. There is one location in the South of Laurel that is considered to have a slight capacity problem. Along the Laurel Street Extension, between Holden Street and Cliff Street, there is currently a 16 inch diameter sewer line that the City plans to upgrade to a 24-inch line. This upgrade would not occur until after the San

Lorenzo River levee improvements are completed. Sanitary sewer capacity is available throughout the Beach and South of Laurel, although laterals and some minor collectors may be necessary to connect to the major trunk lines. No new trunk mains would be required to serve the proposed developments of this Plan.

Recommendations

The sanitary sewer system in the Beach Flats area is in acceptable condition, with 6-inch, 8-inch and 12-inch sewer lines located within the street system. A major new 21-inch sewer main was recently installed along Riverside Avenue, between Beach Street and Third street, which could accommodate substantial new development.

The generally acceptable condition may not apply to the laterals located on private property which connect to the City's mains in the public right-of-way. Some laterals in the Beach Flats area have been cited by residents as backing up, allowing sewage to reach the street surface. The City is not responsible for laterals on private property, although the Public Works Department works closely with County Environmental Health to abate deficiencies and does track the complaint history of the City to determine particular laterals that are prone to deficiencies.

This study recommends the following:

- a. A sewer line deficiency report shall be prepared by the Public Works Department which includes the results of a comprehensive survey of sewer laterals in the Beach Area neighborhoods and identifies sewer facility improvements needed, along with a timeline and funding source(s) to accomplish such improvements. Property owners shall be required to maintain and/or upgrade all laterals identified as problematic in good condition.
- b. Ensure the stability of residential neighborhoods in the Beach Area by continuing to require proper private connections to public facilities and services.
- c. Enforce existing codes and ordinances which require property owners to maintain existing sewer laterals in an unclogged condition and of adequate size to meet the demands of the units on the property.

C. STORM DRAINAGE

1. Existing Conditions

The Beach Target Area has several locations where on-street flooding is a problem. Areas of concern include the intersection of Ocean and Barson Streets and the intersection of Kaye and Uhden with Third Street. Improvements to the drainage systems serving these intersections should be considered as high-priority CIP projects.

Recommendation

- a. Establish the construction of a drainage system serving the intersections of Kaye, Uhden and Third Street as high-priority CIP projects.

D. POLICE PROTECTION

1. Existing Conditions

Police protection services are provided to the project area by the Santa Cruz Police Department (SCPD). The operations division of the SCPD is located at the police headquarters in City Hall, and the records and investigation divisions are currently in a temporary substation located at 212 Locus Street. The SCPD presently consists of approximately 94 sworn officers and 33 civilian employees.

The SCPD has a goal of response time to calls of less than five minutes for emergencies and aims to arrive within three minutes. Response times to the Beach and South of Laurel area would be within the goal response time of five minutes.

Specific problem areas within the project area include the Beach Flats and River Flats areas, the Southern Pacific Property, and the Laurel Street Extension area. The Beach Flats area is currently one of the more serious crime areas of the City. The South of Laurel area is not as serious as the Beach Flats area, but it does have more crime activity than other parts of the City. The most reported crimes in these areas are public inebriation and drinking, and drug and gang-related activity.

In an effort to control criminal activity in the area, the SCPD has established the Beach area as its own beat. It should be noted that the Beach Flats area is included in the larger Beach Area Beat. The Police Department contributes a significant amount of personal response to the Beach Flats. Officers are assigned to the Beach area 24 hours per day, seven days a week. During the course of this study, the City Council endorsed the hiring of additional police officers to assist in this area.

The SCPD has also created a four-member neighborhood enforcement team (NET) to concentrate on specific problem areas of the City. The NET is an independent enforcement team which typically consists of a supervisor and three officers. The NET has the authority to address serious crimes in the City and proceed with enforcement actions, including surveillance and involvement of community members.

In addition, a crime prevention officer is in the planning process. Part of this officer's duties would be to revitalize the neighborhood watch program. The neighborhood watch program would include meeting with concerned communities, crime prevention training, and follow up meetings between the communities and the officers patrolling those neighborhoods. The neighborhoods can contact the SCPD anytime, and would have direct access to an officer at the community meetings. Recently other police departments have received a community partnership grant which includes a "safe storm" component in which neighborhood residents can work with the department on quality of life issues.

Recommendations

This study recommends the following:

- a. The City of Santa Cruz Police Department should continue its efforts to use a community-oriented policing approach in Beach Flats, emphasizing crime prevention and a high degree of interaction and communication between police officers and neighborhood residents.

- b. Beach Flats and target area residents should be encouraged to organize and maintain an active Neighborhood Watch Program, and work closely with the City Police Department in reporting suspicious and/or illegal activity.
- c. Improve police presence to respond to the unusual pressures and problems in Beach Flats neighborhood resulting from an influx of tourists during summer months and the presence of criminal activity associated with increased drug traffic.
- d. Implement a two-officer per day, year-round police foot patrol and a Community Services Officer for Beach Flats.
- e. The Police Department, through the NET Unit, will continue to focus considerable efforts in the Beach Flats and Target Area, in order to address drug and other illegal and criminal activity.
- f. Uniformed police presence on foot and/or on bicycle should be recognized as having the greatest public safety effectiveness, and should be a consistent component of the policing strategy in Beach Flats.
- g. The City of Santa Cruz Police and Planning Departments shall work with residents, residential and commercial property owners and property managers to assist them in using all reasonable means to ensure that property under their control does not serve as a location for illegal or criminal activity, or which serves to threaten public safety.
- h. The City of Santa Cruz shall continue to seek the assistance and cooperation of other law enforcement agencies and security resources, such as CNET and Seaside Company private security personnel, in providing for public safety in Beach Flats.

Additionally, consideration should be given to a demonstration project employing additional security and community service officers to assist in the area.

- i. Continue community oriented policing approach in the beach by establishing a walking beat in the Beach Flats.
- j. Examine the creation of a Beach Area Host Program to provide visitor information and monitor potential code violations, and work with Parks and Recreation Department, City Schools and community based organizations to provide after school care for latch key children.

E. FIRE PROTECTION

1. Existing Conditions

The Beach and South of Laurel are served by the Santa Cruz Fire Department (SCFD). The SCFD responds to all fires, hazardous materials spills, and medical emergencies in the project area. The first response unit to a site within the study area would be Station 1. Station 1 is located at 711 Center Street and is a one engine, one truck company with a total of seven personnel. Station 2 would be the second response unit to a site within the project area. Station 2 is located at 1103 Soquel Avenue and is a one engine company with three personnel, and Station 3 is also available for responses. Station 3 is located on Younglove Avenue and is a one engine company with three personnel. Response times to the project area average approximately five minutes. Currently, approximately 20-30% of calls to the SCFD in the project area are fire-related and 70-80% are medical emergencies.

The City of Santa Cruz participates in a County-wide mutual aid program with all of the cities in the County. Through this program, should the SCFD need additional assistance, one or all of these mutual aid cities would provide assistance to locations within the City of Santa Cruz on an “as available” basis. The water system operates under gravity flow and currently has adequate overall water capacity. The Beach Flats area, however, is located at the end of the water supply system and contains four inch water mains, many of which date back to 1890. Water pressure for fire flows is not adequate in the Beach Flats area, due to the age and small size of the mains.

With regard to the recommendations of this Plan, the Fire Department has noted that major new developments should incorporate built-in fire protection features such as: automatic fire protection sprinkler and alarm systems; design for fire department access within the sites and buildings in mind; and provide smoke management ventilation systems. The services of a qualified fire protection engineering firm is recommended.

Additionally, the Fire Department has noted that proposed Urban Design features such as the location and size of street trees, the terracing of buildings, and traffic calming features may further increase response times and effectiveness. The Department has also noted concern about issues of safety with regard to transient lodging use for sustained stay.

Recommendations

This study recommends the following:

- a. Improve fire protection capability by increasing fire flow in Beach Flats to respond to the unusual pressures and problems resulting from an influx of visitors during summer months.
- b. Create an emergency access route in the Beach Area by promoting a priority shuttle lane on Beach and Third Streets during peak summer days.
- c. The Fire Department shall identify areas of water supply that are less than 1,500 gallons per minute at 20 pounds per square inch residual pressure for inclusion in future Water Department planning to replace water mains.

F. REFUSE COLLECTION & STREET SWEEPING

Refuse collection and street sweeping have been identified as areas of concern due to the significant amount of garbage that can be found on Beach Flats streets on a year- round basis. This situation exists both due to the influx of visitors during summer and holiday periods, and the high population intensities found occupying Beach Flats housing units. This plan identifies several strategies to help reduce the garbage collection and street sweeping problems.

Recommendations

- a. Maintain requirement as a condition of use permits that property owners contract for adequate frequency of garbage collection services in order to ensure that garbage does not overflow available facilities.
- b. Continue to require property owners who are rehabilitating housing complexes to build an enclosed garbage facility for all projects with four or more units.
- c. The City should continue to support resident-organized Neighborhood Clean-up Days by offering City assistance up to twice a year to allow residents to discard larger items, beautify structures and landscaping, and promote neighborhood pride and involvement.
- d. Improve street maintenance services in order to maintain a clean and orderly setting for the Beach Flats neighborhood.
- e. Consider expanding existing program allowing individual wheeled containers for residents that can be stored in a central location on site.
- f. Investigate other program improvements to reduce garbage problems.

G. SCHOOLS

1. Existing Conditions

The Beach and South of Laurel study area is located within the Santa Cruz City schools attendance area, which includes Santa Cruz City High School District and Santa Cruz Elementary School District with a common Board of Trustees and administration. Santa Cruz City Schools (SCCS) consists of six elementary schools, two junior high schools, three comprehensive high schools, one continuation school, two alternative schools, and one charter school program.

Based upon figures provided by SCCS, for the 1995-96 school year they have a current enrollment of 8,885 students. In a recent study prepared by SCCS, projected future enrollment for the year 2000 is expected to total 8,649 consisting of 3,213 elementary students, 1,122 junior high students, and 4,317 high school students. SCCS does not have plans for new schools.

The South of Laurel area is located within the service areas of Bay View Elementary School, located at 1231 Bay Street, Natural Bridges Elementary School located at 255 Swift Street, Mission Junior High School located at 425 King Street, and Santa Cruz High School, located at 415 Walnut Avenue. The Beach Area portion of the project is located within the service areas of Westlake Elementary School, located at 1000 High street, Delaveaga Elementary School, located at 1145 Morrissey Boulevard, Bay View Elementary School, and the same junior high and high school as the South of Laurel area.

Based on 1990 Census information, it is estimated that the 830 additional residents could include as many as 60 elementary school age children, 15 junior high age students, and 30 high school age students. However, the school age population may change significantly, depending on the types of residential development actually built. The Neary lagoon Cooperative residential project, for example, has a higher school age population than the 1990 Census information suggests.

As of October 1994, enrollment for Bayview was 605 students, enrollment for Mission Junior High was 490 students and enrollment for Santa Cruz High was 1155 students. The only school that is nearing capacity is Bayview Elementary School, which listed a capacity of 641 students. The addition of roughly 60 elementary students would exceed the Bayview capacity by 24 students.

Recommendations

- a. This study suggests the possibility of further strengthening a sense of community in the Beach and South of Laurel plan area by the potential establishment of a neighborhood primary school for grades K-3, which may take the form of a "magnet" school with a wide range of educational resources. It is recommended that this concept receive further study as the Beach/SOLA Area Plan recommendations are implemented.
- b. This study recommends that all new housing projects will be responsible for paying standard in-lieu fees for school improvements required to serve new student populations.
- c. This study also recommends that the School District work with the City in designing programs for the Community Center.
- d. This study recommends that the City work with the County Office of Education Child Development Resource Center to create effective child care resources in the Beach and South of Laurel area.

XIX. IMPLEMENTATION STRATEGY



XIX. IMPLEMENTATION STRATEGY

A. OVERVIEW

The purpose of planning is implementation. The preceding chapters have offered specific suggestions for making change in the Beach and South of Laurel. This chapter addresses the essential issues of prioritizing activities and financing them.

While the vision for the future in this Plan may be simply and directly stated, it cannot be implemented with the same simplicity. Achieving the maximum potential benefit from this Plan for those who live, work and visit Santa Cruz will require that a number of actions be initiated and carried to conclusion over a long period of time. Successfully implementing these actions will require a high level of business and resident involvement and sustained commitment by community leaders.

The question then becomes what strategy, or combination of strategies can best catalyze the revitalization of the Beach and South of Laurel? This chapter:

- ranks recommendations for priority implementation,
- discusses the need for a coordinated approach, and
- suggests a management approach for implementation,
- identifies a series of implementation tools, and
- discusses sources of financing of priority recommendations.

It is important to realize that the development of precise financing strategies for specific initiatives are not the function of this Plan, but are the first proposed step of the implementation strategy, once project priorities are agreed upon.

B. IMPLEMENTATION INITIATIVES: PRIORITIES

In a comprehensive Area Plan such as this, where the recommendations are closely interrelated and designed to support and reinforce one another, it is difficult to identify only a few as “highest priority.” However, in order to structure an implementation sequence it is important to identify those initiatives which should be undertaken as a priority.

Recommendations

NEW INITIATIVES - HIGHEST PRIORITY

1. Initiate Beach Flats Neighborhood Revitalization Program, including increased security, new housing, homeownership & code enforcement
2. Construct New Affordable Multifamily Housing - streamline permitting where appropriate
3. Implement development initiatives: La Bahia Conference Hotel, analyze Wharf.
4. Implement coordinated parking/shuttle strategy, including “dual access”, intersection improvements, meter management & acquisition of Depot Site and public park
5. Implement new controls: adopt Beach District Overlay Zone and performance overlay zones.
6. Establish City/Lodging Industry Partnership to upgrade facilities.
7. Encourage construction of non-subsidized housing on appropriate sites - streamline permitting where appropriate
8. Designate Beach Hill Historic District
9. Implement Two-Way continuous Year-round Bikeway on Beach Street.

NEW INITIATIVES - HIGH PRIORITY

1. Pursue acquisition of Feed Lot site.
2. Develop exterior maintenance program for residential and commercial properties.
3. Develop employee off-site parking program.
4. Develop comprehensive marketing strategy.
5. Implement urban design gateway improvements: Beach Flats, Beach Hill & South of Laurel, and traffic circles.

ON-GOING INITIATIVES/PROGRAMS

1. Continue and Expand Community Participation Process/Programs in Beach Flats
2. Develop enhanced code enforcement program for South of Laurel and cost recovery schedule: Adopt rezoning recommendations
3. Negotiate Development Agreements for major commercial structures & expand local marketing programs
4. Finalize Garden Project Relocation and permanent Community Center.
5. Continue partnership with SCCRTC for rail and transit
6. Continue improvement of Marine Sanctuary facilities.
7. Continue implementation of area-wide pedestrian/bike improvements

C. COORDINATED APPROACH

1. Need for a Coordinated Approach

Both the public and the private sectors have important roles to play in the revitalization of the Beach area. Because of the multitude of interrelated program elements and of the need to **coordinate public and private investment strategies and timetables**, a coordinated approach to the implementation of recommendations stemming from this planning effort is strongly recommended.

It is the intent of this recommendation that such an approach would have the capability of bridging the numerous, interrelated transportation/parking, marketing/program management, and development and expansion programs being proposed for the Beach and South of Laurel Areas to ensure an organized implementation strategy.

Many of the elements suggested in this study **will require close cooperation among those with a stake in the area**, and successful implementation of the study's recommendations demands active participation by the City as well as by individual property and business owners — such as the organization and management of a unified employee shuttle program; the coordination of public and private parking programs and protection of the neighborhoods; and coordination of public and private construction.

Some specific Area Plan recommendations which need a coordinated approach are:

a. Transportation and parking,

- one or more intercept parking lots,
- visitor/local and employee shuttle service
- coordination of commercial and residential parking strategies,
- an integrated pricing system and fee structure for transit and parking,
- improved rail service and depot facilities.

b. Marketing and program management

- integration of Wharf and Beach Street activities,
- development of year-round schedule of events,
- provision for permanent visitor's center in Beach area,
- recruitment and management of retail mix,
- coordination of facade improvements and signage programs with individual businesses,
- development of a Heritage Tourism program which links the Beach Area with Beach Hill, West Cliff and the Downtown Historic Districts - perhaps using the shuttle.

c. Housing and Commercial development

- construction of new affordable units as soon as possible
- implementation of home ownership programs
- sensitive and practical relocation programs,
- potential property acquisition and disposition
- subdivision, resubdivision or the combining of properties,
- expedited review and approval process for projects which meet guidelines.

d. Comprehensive construction scheduling to reduce impacts on local neighborhoods and peak season visitation including:

- public improvements of roadbeds, sidewalks, parks, bike paths and pedestrian paths, and
- private developments such as conference facilities and retail renovations.

e. Enforcement and Incentive Programming

- existing residential structure exterior and interior upgrades,
- existing commercial structure exterior upgrades
- implementation and monitoring of design standards,
- implementation and monitoring of rezoning,
- potential fee deferral to stimulate investment.
- passage of specific resolutions or ordinances as necessary to implement particular aspects of the Plan.

f. Financing and investment

- partnership with local lending institutions,
- targeting residential/commercial loans to revitalization areas,
- coordinated lodging industry program,
- structuring of public/private partnerships.
- issuance of bonds, certificates of participation or other financial instruments

2. Anticipated Results of Coordinated Approach

It is anticipated that such an approach would result in:

- early identification of problems or potential program conflicts,
- coordination of public and private implementation,
- facilitation of exchange of information,
- minimalization of administrative or start-up costs for both public and private sectors,
- reduction/elimination of false starts,
- facilitation of financing, and
- reduction of risk factor for both public and private participants.

D. PROPOSED MANAGEMENT

A three-tiered management approach is suggested as a way of coordinating the implementation of this Plan's recommendations. The goal of this approach is twofold:

- To facilitate and to carry out policies and programs which accomplish the priority recommendations, and
- To solicit private participation and provide continuing public information on the goals and key concepts of this Plan.

1. Internal Management Approach

Many of the recommendations contained in this study involve the mission and activities of a variety of Departments and Agencies within the City of Santa Cruz government. Among the offices most affected are:

- Department of Public Works,
- Department of Planning and Community Development,
- Redevelopment Agency, and
- Department of Parks and Recreation.

Among the offices which will be involved to a lesser extent in implementation are:

- Police Department,
- Department of Finance, and
- Office of the Legal Counsel.

Recommendation: Form Beach/South of Laurel Interagency Task Force

Because of the need to focus and coordinate interdepartmental attention on the Plan's priority recommendations, this study recommends:

- a. the formation of a Beach/South of Laurel area **interdepartmental task force** comprised of a representative from Public Works, Planning, Redevelopment and Parks, (representatives from Police, Finance and Legal will participate on an as-needed basis)
- b. under the **direction of the City Manager**,
- c. to convene at **regularly scheduled monthly meetings**, or more frequently as needed.

The principal functions of this Task Force will be to:

- coordinate interdepartmental activities in implementation,
- phase-in implementation of Capital projects with departmental programs,
- provide operational support for priority programs,
- facilitate financing through interdepartmental budget review,
- identify/resolve potential program conflicts.

Such a structure will provide **clear identification of lead and supporting departmental responsibilities for approved major new initiatives** and agreement on timing of implementation in those areas where a number of agencies may share some responsibility such as:

- Circulation and parking strategies,
- Housing and neighborhood revitalization programs,
- Commercial development and redevelopment initiatives,
- Financing approaches, and
- Marketing and program management.

Regulatory, enforcement and security issues which support the major new initiatives may be placed under the direction of the Assistant City Manager. In general, this refers to ordinances, regulations, amendments to the Municipal Code, General Plan and other specific plans to ensure consistency and coordination. Ongoing security issues may also fall within this purview.

It is envisaged that this Task Force will report regularly to a specific subcommittee of the City Council.

2. Policy Management Approach

The long range implementation of the Plan will entail a wide range of actions that cut across many policy areas and have an impact on both the operating and capital improvement budgets of the City. Because of this, a number of review boards and commissions, such as the Planning Commission, the Zoning Board, the Local Coastal Commission, the Parks and Recreation Commission, the Transportation Commission will be involved in varying elements of implementation. Principal among these will be the Planning Commission which will play the lead role in bringing land use and development strategies to fruition, i.e.: General Plan Amendments; Local Coastal Plan Amendments; new zoning ordinances and overlay zones; text amendments; design guidelines; and development standards.

Because of the need to ensure consistent and coordinated policy guidance, this study recommends that coordination of the implementation effort be assigned to the City council as a whole, providing principal oversight responsibility. A specific sub-committee of the City Council should be assigned responsibility for shepherding the effort through.

Recommendation: Beach Committee to Shepherd Plan Implementation

Because of the breadth, complexity and interrelated nature of a number of Plan proposals, the City will benefit from ongoing coordination by a single Council subcommittee. While many of the activities proposed are within the traditional responsibility of the City, implementation of this Plan also relies upon participation by the private and non-profit sectors.

The Beach Committee would provide the formal forum for merging and coordinating the activities of City agencies with those of private and non-profit participants, and for conducting continuing outreach and public information to all City residents. The role of this Committee would be to guide and support the active revitalization of the Beach and South of Laurel, and to act as the City Council's liaison between public and private actions.

In this role, it is anticipated that the Beach Committee would exercise policy oversight for each of the major new initiatives proposed within this Plan. This would provide not only policy consistency, but also a single point of contact for local residents and businesses interested in or affected by the Plan's recommendations.

The functions this Committee could perform are:

- advising Mayor and Council of program status and recommending Council action,
- recommending priority implementation of new initiatives,
- recommending funding priorities and resolving program conflicts,
- providing continuing policy status reports,
- coordinating public and private implementation, and
- establishing a continuing public outreach and information process.

3. Public/Private Partnership Approach

City actions alone will not create active and economically viable neighborhoods and commercial areas. Private investment is critical. For over a decade, the nation has been rethinking its strategy on how to revive and repair disinvested neighborhoods and declining commercial centers. Increasingly, experts are agreeing that the proper role of cities is to create the environment in which sound private investment can occur.

To achieve this, jurisdictions must seek the advice and counsel of private investors, property owners, financial institutions, retail merchants, and residents on what is needed to make revitalization a success.

Recommendation: Beach Committee Lead Partnership Approach

Because of the extremely wide range of issues the City must address in the Beach and South of Laurel, it is recommended that the policy oversight committee, the Beach Committee be designated the lead in working with the private sector as the City moves forward through the formal, legal process of implementation.

It may be advisable to establish a series of temporary, ad hoc advisory committees to assist the Beach Committee in its deliberations as conditions warrant. These could include:

- Investment Advisory Committee, including lending institutions and major property and business owners.
- Neighborhood Revitalization Advisory Committee, including security officials, landlords and residents, private and non-profit housing representatives.
- Lodging Industry Advisory Committee, including owners, managers and industry representatives.
- Marketing and Tourism Advisory Committee, including retail merchants, tourism officials, Downtown and cultural representatives.

The function of these committees would be to act as a marketplace for ideas and a forum for stimulating private commitment. They would advise the Beach Committee on issues under discussion.

Further, the City Council has referred to the Beach Committee the issue of initiating and funding a public process within the Beach Flats neighborhoods by utilizing both the existing service providers, the Beach Committee and other community resources, to identify needs within the Beach Flats community that are not being currently met - as defined by existing residents - and make direct input into the ongoing process of implementation.

E. IMPLEMENTATION TOOLS RECOMMENDED IN THE PLAN

This Plan has detailed a series of specific tools to assist in implementation. Among them are:

1. **Mixed Use Zoning** - permitting a broadened range of uses in order to allow development to be more market driven.
2. **Rezoning** - to encourage appropriate/compatible development.
3. **Flexible Development Standards** - regarding height, bulk, setbacks, and parking -to promote more innovative and economically feasible design in both commercial and multifamily development.
4. **Overlay Zones** - incorporating flexible development standards, performance criteria, and design guidelines targeted to specific areas.

5. **Conservation Neighborhoods** - to enhance neighborhood viability.
6. **Design Guidelines** - to ensure compatible and harmonious design of both commercial and residential structures.
7. **Financial Incentives** - to attract new investment and reinvestment in residential and commercial structures.
8. **Sunset Provisions** - for financial incentives to “jump start” revitalization.
9. **Development Sequencing** - designed to mitigate impacts and major infrastructure requirements..
10. **Constraints** - designed to encourage/discourage certain patterns of behavior.

F. FUTURE ENVIRONMENTAL REVIEW

The environmental review for actions that implement, or are consistent with the *B/SOL Area Plan* will be consistent with the concept of “tiering” under CEQA. These principles will require the City or Redevelopment Agency to prepare a site-specific negative declaration or EIR whenever an initial study prepared by Staff indicates that such an action “would have effects that were not examined in the program EIR.” An EIR would be required if the site-specific action “may cause significant effects on the environment that were not examined in the prior [EIR].”

Any such negative declaration or EIR will be subject to public review and commenting requirements, thus ensuing full public input regarding the design and mitigation for affected projects. The City or Redevelopment Staff could only dispense with site-specific environmental review where Staff concludes that a proposed activity is “within the scope of the project covered by the program EIR,” because the activity does not raise any site-specific issues that are not adequately covered by the B/SOL EIR. (See CEQA Guidelines, section 15168,, subd. (c)(2))

G. IMPLEMENTATION & FINANCING¹

1. Overview

In establishing the Implementation Framework for the *Beach and South of Laurel Area Plan* a certain degree of flexibility and continuing uncertainty has to be assumed, with respect to specific project costs and the exact funding sources for each project.

This section is intended to provide, where available, estimated project costs as well as potential funding sources. Since recommendations include both economic development, housing, transportation, and service functions, a great deal of flexibility can be utilized in each funding scenario. While it is likely that many of the underlying assumptions on costs and other items may change over time, the options which are most likely to occur and benefit the City are presented for purposes of strategic planning.

¹ Joe Hall of the Redevelopment Agency and Michael G. Jones of ALTA have prepared the information which is the basis of this section.

New Initiatives: Highest Priority

Beach Flats Revitalization: increased security, new housing, homeownership and code enforcement.

The cost of each component of this program will vary depending on the specific scope developed during implementation of this Plan.

Increased Security: During the course of this planning process additional police officers were added to the Beach Beat. There is also the potential for additional security through the Seaside security patrol, and/or community service officers. If additional security were provided by private security services, the approximate monthly cost for one officer with vehicle for 8 hours, 7 days/week is \$4,800+.

New Housing/ Homeownership: During the course of this planning process, a homeownership program, targeted to existing tenants, to assist 4 lower-income households annually was begun. Estimated public subsidy for each is estimated at approximately \$40,000. HOME funds have been allocated for this program. New housing will be constructed by public/private and non-profit participation. Redevelopment Agency has indicated that housing set-aside funds will be available to fund housing related activities.

Code Enforcement: The Department of Planning is undertaking a comprehensive review of code compliance in develop more rapid and effective measures and cost recovery schedule, and a new fine schedule. Cost of increased enforcement should be covered by these initiatives.

Funding Sources: Funding sources for this involve a mix of CDBG funding, HOME funding, private investment and grant assistance.

Construct New Affordable Multifamily Housing: This program is designed to provide incentive assistance to assist housing developers in identifying and building new affordable housing on beach area sites. The cost of this program will vary depending on the size of the project.

- The public incentive to promote new affordable and market rate housing will be funded through the Redevelopment Agencies Low- and Moderate Income Housing Fund. It is anticipated that the fund can provide an incentive of up to one million dollars to promote the maximum affordability of future projects.

Major Development Initiatives

One of the key thrusts of this Plan is the enhancement of the tourism infrastructure in the Santa Cruz Beach Area. Projects designed to assist this would include a conference hotel center incorporating the existing La Bahia hotel and Wharf improvements. Each of these particular projects contain various cost components which would require negotiations to determine the exact public participation, if any, with respect to each component.

For instance, it is estimated that a new full service conference hotel will cost approximately \$135,000 per room and \$10,000 per parking space. Inclusion of a conference facility above and beyond hotel costs is an area in which public/private financing may be required.

A comprehensive analysis of the Wharf may fall into the \$60,000- \$80,000 range.

Funding Sources

Financing for the public share of the future development initiative could potentially come from the increased property tax increment from these developments, or a share of increased transient occupancy tax or admissions tax revenues they generate. Specific development initiatives will have to be identified based on available potential revenue as well as specific case-by-case needs.

Parking & Shuttle: Acquisition Depot Site

Depot Site: The Depot Site is currently owned by the Union Pacific Railroad. The plan has identified this site as a crucial facility for the City in terms of meeting short term parking demand, helping to implement the dual access circulation proposals, and meeting the requirements of the Coastal Commission for beach access. Because of its for sale status, the following analysis was prepared.

Assumptions

Parking spaces needed	300
S/F per space	330
Total parking lot s/f	100,000 s.f.
Land cost	\$11/sf - [Total site \$2-3 million]
Construction costs	Projected cost about \$1.2 million to design and construct. Many ancillary cost items such as fencing and landscaping are estimated and not based on specific plans.
Operating Costs	\$100/space/year
Total annual operating costs	\$30,000
Funding	A \$2.1 million grant may be available to help purchase the site.
Revenues	Are expected to be generated from year 1 from meters at \$.50/hour, and possible from meter district revenues in the Beach and South of Laurel. Meter district revenue is incremental revenues over and above existing meter revenue in the Beach area due to increased meter rates.
Shared Use	Share use of the parking lot is expected to occur with the multi-modal transportation center and the proposed park to be developed on the remainder of site. No sharing of costs or revenues is included in this analysis. During seasonal peak periods, all 300 spaces will be reserved for beach visitors.

Four options were evaluated for development of the Depot Lot. [See following table]

- Option A: \$840,000 in grant funding available for parking lot land purchase, meter district revenues totaling \$949,000 over 5 years available.
- Option B: No grant funding, meter district revenues available.
- Option C: Grant funding available, but no meter district revenue.
- Option D: Neither grant funding nor meter district revenue available.

Table A indicates that the Depot Lot cannot be operated in the first 5 years without the parking meter district revenues, and with the grant funding would not generate enough revenue to satisfy the debt service coverage requirements of a revenue bond.

Table A
Depot Lot Cost Analysis

Development Costs	A	B	C	D
Land Purchase	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Minus Grant Fund	\$260,000	\$1,100,000	\$260,000	\$1,100,000
Construction Items				
Parking Lot	\$810,000	\$810,000	\$810,000	\$810,000
Landscaping	\$80,000	\$80,000	\$80,000	\$80,000
Lighting	\$80,000	\$80,000	\$80,000	\$80,000
Fencing	\$40,000	\$40,000	\$40,000	\$40,000
Meters	\$90,000	\$90,000	\$90,000	\$90,000
TOTAL	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Design and Engineering	\$110,000	\$110,000	\$110,000	\$110,000
GRAND TOTAL	\$1,470,00	\$2,310,000	\$1,470,000	\$ 2,310,000
Financing Items				
Net Interest During Construction	\$92,316	\$145,068	\$92,316	\$45,068
Capitalized Reserves	\$154,350	\$242,550	\$154,350	\$242,550
Financing Costs	\$58,800	\$92,400	\$58,800	\$92,400
TOTAL TO BE FINANCED	\$1,775,466	\$2,790,018	\$1,775,466	\$2,790,018
Interest Rate	9%	9%	9%	9%
Term (yrs)	30	30	30	30
Profit/(Loss)				
ANNUAL FINANCING (COST)	\$(159,792)	\$(251,102)	\$(159,792)	\$(251,102)
ANNUAL OPERATING (COST)	\$(30,000)	\$(30,000)	\$(30,000)	\$(30,000)
TOTAL (COST) YRS 1-5	\$(948,960)	\$(1,405,508)	\$(948,960)	\$(1,405,508)
TOTAL REVENUES YRS 1-5	\$1,468,238	\$1,468,238	\$519,000	\$519,000
Parking Revenues	\$519,000	\$519,000	\$519,000	\$519,000
Other Parking Revenues	\$949,238	\$939,238	—	—
Lease Revenues				
NET (COST) YRS 1-5	\$519,278	\$62,729	\$(429,960)	\$(886,508)

It may be possible to capitalize the losses expected in the first few years, but this is exposing the City to some financial risk. It may also be possible to generated revenues from other sources, i.e. the leasing of parking or land to private uses, the sharing of costs with the park, and possibly leasing spaces during off-peak periods to adjacent commercial/residential tenants.

Conclusion: The Depot must be financed using revenues from a parking meter district.

Parking Meter District

The district is proposed to include the incremental revenues from the 420 total meters in the Beach area, starting in year 4 [see Table B]. This will provide the City with a steady stream of income from the existing meters, while producing revenues for a new parking meter district. Meter rates in the Beach area will increase from \$.75/hour to \$1.50/hour from years 1 to 10, to more accurately reflect their prime location and high demand. The meter rates would still be less expensive for the typical Beach/Boardwalk visitor staying about four hours than comparable off-street parking.

As the South of Laurel area redevelops over the next 10 years, 400 new parking meters will be installed with rates of \$1/00/hr starting in the year 2003. Usage estimates of 480,000 revenue hours per year translate into 1,200 revenue hours per meters, or about an average 60% occupancy over the course of a weekday (9 am-5 pm).

Table B
 Parking Revenue Projections

Beach/Wharf Area Parking Meters				
Total Meters	420			
Annual Operating Hours	2,145,360	(420 meters x 5,108 hours)		
Annual Revenue Hours	567,000			
Baseline Meter Rate	\$0.75	per hour		
Baseline Meter Revenue	\$425,250	per year		
Rate Schedule				
	Meter Rates	Revenue Hours	Revenue	Minus Baseline
Years 1-3	\$0.75	567,000	\$425,250	
Years 4-5	\$1.00	623,700	\$623,700	\$198,450
Years 6-7	\$1.25	686,070	\$857,588	\$432,338
Years 8-10	\$1.50	754,677	\$1,132,016	\$706,766
Depot Lot, Remote Lots, South of Laurel (metered spaces)				
	Depot Lot	Remote Lots	So. of Laurel	
Total Spaces	300	400	400	
Annual Operating Hours				
Peak Period	1,080	450	—	
Off-peak	512	—	2,000	
	Revenue Hours	Revenue Hours	Revenue Hours	
Annual Usage				
Peak Period	158,000	73,500		
Off Peak	15,000	0	480,000	
Total	173,000	73,500	480,000	
Rate Schedule	Depot Site	Remote Lots	So. of Laurel	
Years 1-3	\$0.50	—	\$0.50	
Years 4-5	\$0.75	\$0.50	\$0.75	
Years 6-7	\$1.00	\$0.75	\$1.00	
Years 8-10	\$1.25	\$1.00	\$1.25	

The district would also include the 300 space Depot Lot. The total number of meters in the district would be 1,120. No meter operation or enforcement costs have been included in the estimates. Meter capital costs are included in the pro-forma and total \$110,000 in the first 10 years.

Conclusion: The parking meter district is needed to fund the Depot Lot, the shuttle, meter upgrades, and the transportation management of the area. The district is expected to generate over \$1.1 million annually by the year 2007.

Shuttle System

The costs and operation of the shuttle system have been presented in the earlier chapter on transportation. However financing for the initial phase of parking and traffic management improvements will come from a mix of funding sources.

The City has applied to the County Regional Transportation Commission for State Transportation Improvement funds to fund acquisition of the Depot Site. Funding for the parking shuttle and intersection improvements, will require assistance through the Federal, State or Regional transportation programs, Congestion Management Program, increases in

Beach Area parking revenues, and net revenues from the Southern Pacific Depot parking site. The exact revenue generation will determine the timing of each traffic management improvement.

The City of Monterey receives about 40% of its shuttle funding from grants from the air district. It also charges \$1/person for an all-day pass. The City of Santa Cruz could phase in a fee for the shuttle. It would generate revenues of about \$97,000/yr using this system. Finally, private entities in the Beach area such as the Seaside Company could partially or wholly subsidize a shuttle program that directly serves their employees and/or visitors. The shuttle could be also considered as in-lieu-of parking device where the Seaside Company subsidized the program in-lieu-of providing additional on-site parking.

City/Lodging Industry Partnership To Upgrade Facilities

The cost of each motel upgrade will vary on the age of the facility, as well as specific site needs. General cost estimates in this area could range from \$20,000-40,000 per site depending on the need for new landscaping and other exterior improvements. City participation will follow the format established by the Eastside Facade Program where a portion of the costs were shared.

Program Funding

Funding options in this area will require a combination of private and public funding. Samples of potential funding sources for the program could involve such innovative ideas such as establishing a participating motel TOT tax base line and utilizing any resultant increase in transient occupancy tax at that hotel following renovation to fund the public share of the site upgrade.

A second alternative could be an accelerated auditing program to ensure accurate TOT tax reporting and the assignment of any increased revenues from this program to City/Lodging Industry partnership.

Beach Hill Historic District

This program will require no additional funding since the implementing zoning regulations and other procedures have already been adopted. What remains to be done is the preparation of the formal staff report and an assessment of the potential impact/benefits of the Mills Act. The Beach Hill Historic District will contain approximately 50-70 properties.

Summary

Following adoption of the *Beach and South of Laurel Area Plan*, initial funding should be given to the highest priority projects. These projects are ones for which funding has been most specifically identified and where private investment is available.

With the identification of the seven new initiatives in the Beach and South of Laurel Plan, City staff can then focus its attention on developing the necessary programs, agreements, and other mechanisms to ensure program implementation. As mentioned in the initial section, a variety of strategies must be developed from these, including voter approval of the Transient Occupancy Tax Surcharge, new housing developments and improved traffic management.

H. POTENTIAL SOURCES OF FUNDS

1. Existing Sources

Annual City Budget: The Annual City Budget establishes the level of investment in each specific City service. The Annual City Budget can, over time, be used to provide on a comprehensive basis increments of service for a specific function. However, given the restrictions of Proposition 218 and competing needs outside the Beach area, the City budget may be more properly looked at as a way to respond to private actions by way of identifying public improvements which can be brought forth to stimulate future investment.

Capital Improvement Program: The Capital Improvement Program provides funding to projects throughout the City and can be used as a mechanism to focus and organize projects set forth in this Plan. Funding for the Capital Improvement Budget comes from a portion of the Transient Occupancy Tax, and grants.

Tax Increment Financing (TIF): TIF is a method of funding public investment in an area using State Redevelopment Law by recapturing, for a time, all or a portion of the increased property tax revenues resulting from private investment. As private investment adds to the tax base within a redevelopment area, a portion of the increased tax revenues are placed in a special fund that can only be used for public purposes permitted by law in that area.

The Beach and South of Laurel area is currently in the Merged Redevelopment Project Area and, therefore, incremental property tax revenues from private investment can be used in funding improvements in this area. Currently, the assessed valuation of the Beach and South of Laurel area is approximately one hundred fifty-seven million dollars (\$157,000,000).

If private investment occurs in this area, the additional tax increment which results above this current level could be utilized for future improvement. Tax increment revenues available to the Beach and South of Laurel area will amount to about \$7,500 for each one million dollars of increased assessed valuation. Of this \$7,500, approximately \$5,000 will be available for economic development and public improvement projects and \$2,500 available for low- and moderate-income housing. These funds may be spent throughout the merged project area.

Community Development Block Grant (CDBG): The Community Development Block Grant Program is funded by the U.S. Department of Housing and Urban Development and provides assistance to the City for programs and projects directly aimed at the type of housing and neighborhood facilities discussed in the Beach/South of Laurel Area Plan. The Community Development Block Grant funding is allocated on an annual basis and can be used to fund a wide variety of housing and neighborhood facilities contemplated in the Beach and South of Laurel Area Plan. Priorities for use of this funding are established on an annual basis, and, to date, have been used to fund housing rehabilitation, park improvements among a few projects. The average annual grant to the City available for projects is approximately \$775,000 ± per year.

HOME Fund: This fund is a new source of revenue provided to the City by the Department of Housing and Urban Development and is specifically targeted to improve and increase the supply of low- and moderate-income housing. The annual grant to the City available for projects is approximately \$300,000 ±.

This brief summary of existing sources of funding provides a certain degree of information with respect to the existing potential to fund new improvements. However, in each of the previously mentioned categories there are existing programs and projects in place competing for these funds, and thereby limit their potential to address programs and needs identified in the Beach and South of Laurel Area Plan. Given this scarcity of financial resources, it is important to discuss a number of new potential funding sources which could complement and enhance available revenues.

New Funding Sources

Assessment Districts: Assessment districts are often used to fund public improvements that benefit private property and development. Such assessments place upon the benefiting properties the cost which are not borne by the larger community. Assessment districts can take on a number of forms and perform many different projects. Assessment districts typically raise funds through annual assessments to pay off bonds which are sold to finance particular projects. Assessment districts are typically established by municipal governments.

The passage of Proposition 218 has created new procedures to establish assessment districts which will require a more focused and voluntary application this funding mechanism. However, for certain physical improvements, this mechanism may be a method through which public and private funding can be brought together to provide project funding.

Transient Occupancy Tax Beach Area Improvement Surcharge: Transient occupancy tax is one of the major revenue sources for funding capital improvements in the City of Santa Cruz. Two-thirds of the existing transient occupancy tax is devoted to street, park, and other capital improvements throughout the City of Santa Cruz. If a surcharge is added to the existing transient occupancy rate of 10%, this funding could be specifically used for capital improvements in the Beach area.

A recent survey of comparable cities indicates a transient occupancy rate of 12% occurs in these cities. If a 2% surcharge were applied to the existing rate, it would generate approximately \$500,000 per year, which would support bond funding of approximately 5½ to 6 million dollars. The provisions of Proposition 218 would require two-thirds voter approval of any future transient occupancy tax surcharge.

Some portion of the increased transient occupancy tax revenues anticipated from the new hotel/ conference center should be dedicated to construction of affordable housing in the Beach/South of Laurel area as well as to other public infrastructure and service needs identified in this Plan.

New Private Investment: The Beach and South of Laurel Area, as previously mentioned, is now in its entirety within the boundaries of the Merged Redevelopment Project Area. As a result, new private investment in this area will create additional tax increment revenues.

For instance, construction of a new 230-room hotel will generate approximately one million dollars in new additional tax revenues (transient occupancy tax, \$640,000; redevelopment tax increment, \$271,000; utility tax, \$100,000). Similarly, new housing or other commercial construction will generate additional revenue above and beyond those taxes currently generated in this area. Aside from the direct impacts of new investment, secondary impacts will occur through increased sales tax and other non-site specific City revenues.

Loans and Grants: The City of Santa Cruz has aggressively sought grant assistance with respect to a number of Beach and South of Laurel area projects. Grant assistance has, to date, assisted in the financing of the Riverside Avenue bridge, Beach Street Promenade Improvements, and increased neighborhood police patrols in the Beach Flats areas.

Additionally, over the years, grants have assisted in the reconstruction of the Santa Cruz Municipal Wharf and the reconstruction of the West Cliff Drive bridge. Where possible, throughout the term of the Beach and South of Laurel Beach Area Plan, grant assistance will continue to provide funding for specific projects. For instance, the City is currently seeking a State Transportation Improvement funding through the Santa Cruz County Regional Transportation Commission to assist in the purchase of the former Southern Pacific Depot site for use as a multi-modal transit site.

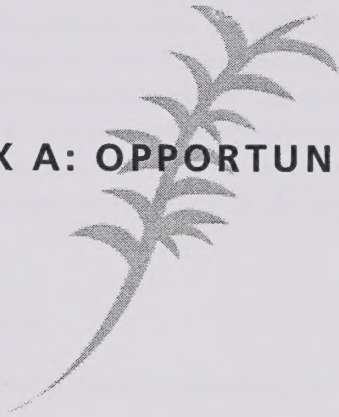
The above funding sources provide a number of financing mechanisms through which the next stage of Beach area improvements can be financed. However, with the restrictions of Proposition 218 and increasing competition for public funds, it is important to recognize that private investment will be a major factor in realizing these improvements. Nevertheless, even with limited public involvement for streets, parking, housing, and other facilities, the public investment will be substantial over the next decade.



Proposed Amendments to General Plan Land Use Designations

APPENDICES

APPENDIX A: OPPORTUNITY SITES



APPENDIX A: OPPORTUNITY SITES

A. OVERVIEW

This opportunity site discussion is intended to outline the anticipated projects which may result over the life of the plan. The following map was prepared to identify all of the opportunity sites in the Beach and South of Laurel area, and is organized by planning area. These opportunity sites were defined with development potential for purposes of environmental analysis. A summary of the potential changes in the planning areas is listed for each area. The environmental document is intended as a first tier document to cover major environmental issues for these sites until the thresholds for the areas are exceeded. Additional project specific review may be necessary on issues not able to be covered by a first tier environmental review. The land use plan for the Beach and South of Laurel area plan calls for major improvements and additions of commercial space, hotel facilities, residential properties, open space, and infrastructure improvements necessary to accommodate existing and new development in the redevelopment project area.

B. SUMMARY

A summary of the major components of intensification of land uses includes:

- 250-275 room conference hotel facility at the La Bahia site.
- Less than 125,000 sq. ft. of new specialty retail/entertainment development with amount to be determined through a community-based planning process.
- 157,000 sq. ft. of commercial uses along major transportation corridors, primarily along the Pacific Avenue spine.
- 3000-4000 sq. ft. Marine Sanctuary Visitor Center on the Wharf.
- 400 + new infill residential units at a variety of development densities (20-55 units per acre)
- Rehab and redevelopment of existing residential, commercial, & hotel properties (139 new hotel rooms, not counting conference hotel);
- Multi-modal Transit Hub with Dual access to the 300 space public parking area at the Union Pacific site (recreational rail, bus, shuttle, vehicular, bicycle and pedestrian improvements) including the potential to relocate the historic train station to other areas of the site.
- 2-acre active recreation park in the South of Laurel.

- Development of a permanent Beach Flats Community Center & Community Garden.
- Development of a new Police Station in the South of Laurel.

1. Beach Flats

The Plan identifies a new development area where existing units will be encouraged to be replaced over time, and a conservation area where the small cottage character will be preserved and new home ownership opportunities will be provided. Following is a summary of potential changes in the Beach Flats.

+ 129	Potential new units based on revised densities for various opportunity sites
- 60	Potential existing units lost in the new development area
+ 69	Potential Net new units in the Beach Flats over the life of the Plan.

Ultimate residential buildout in the beach flats may include approximately 69 more units than presently exist.

2. Beach Hill

There are only two vacant sites remaining in Beach Hill. It is estimated that development potential will not exceed 20 units in this district based on available land.

<u>Project</u>	<u>Site</u>
+20 Potential units	#10

3. Beach Commercial

This area involves the greatest potential changes in the Plan. The Beach Commercial area will provide new energy and vitality to the greater Beach area and the City by providing opportunities for redevelopment of underutilized land and new development on surface parking lots which will provide active retail, entertainment, lodging and support uses that will extend the operational season of the beach to be more year round. There are 7 primary opportunity sites identified in the plan. Following is a summary of the potential changes for those opportunity sites.

<u>Project</u>	<u>Intensity</u>	<u>Site</u>
Future commercial to be determined	<125,000 sq ft	#8
New Retail	39,696 sq ft	various
Total Commercial	164,696 ± sq ft	
New conference hotel	250-275 rooms	#6
Other new hotels	139 rooms	#4, # 18
Total New Hotel Rooms	389-414 rooms	
Potential Change in Residential		
New units	12 units	#11
Potential Loss of units	-22 units	#8
	-45 units	#6
	-17 units	#4

In the Beach Area, there are projected to be 101 new units constructed and 84 older units lost. The potential change in residential units in the Beach Area is +17. **The potential change in the total plan area is a net gain of 397 residential units.**

4. South of Laurel

The South of Laurel Area will be a diverse, urban density residential neighborhood that is pedestrian friendly, respects existing neighborhood characteristics and also embraces, the visitor attractions which will be a natural to the area, given its proximity to the beach. The areas residential development will focus around a central interior park space located around the existing depot site with higher densities near the core and transit opportunities and established neighborhoods being protected by Conservation regulations. The South of Laurel will serve as a primary connection between downtown and the beach with emphasis on the continuation of pedestrian and visitor serving commercial development along the Pacific Avenue spine. There are 12 primary opportunity sites identified in the plan. Following is a summary of the potential changes for those opportunity sites.

Project	Intensity	Site
New Office Development	92,450 sq ft	20,12,14,16
New Retail Development	25,169 sq ft	12,13,15,21
New Police Station	<u>32,000</u> sq ft	17
Total Commercial	149,619 sq ft	
Approved Residential	60 units	22
	84 units	23
	<u>50</u> units	24
Total Approved Residential	194 units	
Residential Opportunity sites	96 units	21,26
	28 units	25
	28 units	27
	15 units	infill
	<u>19</u> units	mixed use
Total residential opportunities	186 units	
	<u>+194</u> units	
	<u>+380</u> units	

5. Summary of Land Use Changes

Within the Beach and South of Laurel Area, proposed land use changes are relatively minor. The primary change is the reduction in High Density designations by 4.19 acres and the reduction in visitor commercial by 5.23 acres. This reduction in high density and visitor commercial has been absorbed in the medium density residential designations with an increase of 1.89 acres and an increase in public facilities of 7.55 acres.



APPENDIX B: PARTICIPANTS IN THE PLAN

APPENDIX B: PARTICIPANTS IN THE PLAN

The many participants in this study, who have contributed their insight over the years, represent widely differing points of view. As a result of their comments and recommendations for changes to the original Beach/South of Laurel Area Plan Strategies, the economic development elements of the Beach and South of Laurel Comprehensive Area Plan have been significantly modified to reflect a strengthened emphasis on neighborhood preservation and small-scale, compatible development. The final B/SOLA Plan reflects the comments and contributions of many people, in particular the following organizations and individuals:

GOVERNMENT AGENCIES

County of Santa Cruz

Mardi Wormhoudt, Chair, Board of Supervisors
Andy Schiffrin, Aide to Chair Wormhoudt

Santa Cruz County Regional Transportation Commission

Linda Wilshusen, Executive Director
Debbie Hale, Senior Transportation Planner

Santa Cruz Metropolitan Transit District

Leslie R. White, General Manager
Mark Dorfman, Assistant General Manager
Scott Galloway (former Secretary/General Manager)

California Coastal Commission, Central Coast District Office

Tammy Grove, Deputy District Director
Lee Otter, District Chief Planner
Joy Chase, Coastal Planner

Housing Authority of the County of Santa Cruz

Mary McKenzie James, Executive Director
Sue Hoge, Assistant Executive Director

City of Santa Cruz Police Department

Bill Azua and Maria Orozco, Police Patrol Officers

City of Santa Cruz Advisory Bodies

Parks and Recreation Commission

Elizabeth Schick, Chair
Hans Brinkler, Alan Heit, Debbie Malkin, Jack Samuelson,
Merritt Taylor, Martin Wollesen

Transportation Commission

Tim Jenkins, Chair; Keresha Durham, Vice-Chair
Peter Beckman, Trink Bickal, Wilson Fieberling, Timothy Fitzmaurice, Ed Porter

Downtown Commission

Kurt Haveman, Chair; Terrence Pershall, Vice-Chair
Phillip J. Fortier, Frank L. Kaehler, Lee Slaff, Manthri K. Srinath, Chris Quinn

ORGANIZATIONS

Barrios Unidos

Nane Alejandrez, Director
Liz Ayala, Outreach Manager
Felipe Cruz & Jose Bracamontes, Educational Outreach Coordinators

Beach Area Business Association

Matt Twisselman, Steve Parmelle,
Greg Solow, Ken Whiting, Dianna Ligon

Chamber of Commerce

Michael Schmidt, Executive Director
Carol Canaris, President
Mathew Thompson (1997 President)
Bill Tysseling, First Vice President
Members of the Economic Development Committee

Downtown Association

Linda Steinau, Executive Director
Chris Quinn, President of the Board of Directors
John Lisher, Boardmember

Familia Center

Ana Espinoza, Executive Director
Minerva Tavarez, Client Services Coordinator

Habitat for Humanity

Paul Kaneko, Patrick Splitt

Mercy Charities Housing California

Jane Graf, President
Elizabeth Vogel, Housing Development Supervisor
Carlos Romero, Housing Developer

Mercy Services Corporation

Steve Farmer, Property Supervisor

People Power

Ron Perlman, Don Fong

Resource Center for Nonviolence

Erik Larsen, Sarah Walsh, Doug Rand

Santa Cruz Action Network

Beach Area Working Group

Santa Cruz Conference and Visitor Council

Maggie Ivy

Santa Cruz Lodging Association

Bob Suits, Merry Crowen, John Vasconcelos, Alice Jeane,
Anne Parker, Gene Panelli, Dilip Patel, P.N. Patel, Babu Patel, Darrell Darling

Wharf Tenants' Association

Lou Caviglia, Marshall Miller, Rosanne Mazzone,
Steve Carniglia, Robert Stagnaro, Dino Stagnaro

Women's Democratic Club

Karen Darling, Barbara Lewis

Women's International League of Peace and Freedom

Sandy Silver, Roz Hastings

FINANCIAL INSTITUTIONS WORKING ON HOUSING PROGRAMS

Coast Commercial Bank

Harvey J. Nickelson, President and Chief Executive Officer
Rick G. Hofstetter, Senior Vice-President and Senior Lending Officer
Rod Quartararo, Vice-President and Manager of Residential Loan Program

Santa Cruz Community Credit Unit

James Sudduth, Chief Executive Officer
Bill Leland, Marketing Coordinator

Monterey Bay Bank

Susan Davis, Loan Administrator

OTHER BUSINESS AND HOUSING REPRESENTATIVES

Barry Swenson	Maynard Manson	Martin Boone
John Campanella	George Ow, Jr.	David Foster
Michael O'Hearn	Michael Zelter	Phil Burke
Tom Nelson	Joe Wuscher	Annette Hopkins
Susan Pearlman	Ginger Noland	Ward Noland
Bill Prime	Michael Harris	Dan & Karen Ranger
Craig Rowell	Michael Sarka	Neal Langholz
Charles Canfield	Norman Schwartz	Ted Whiting, III
	Carl Henn, Sr.	

RESIDENTS AND OTHER INTERESTED PARTIES

Beach Flats Community Garden

Gia Grant	Geri Quintero	Matt Byrne
Alfredo Silva	Vianney Solano	Lupe Duran
Roberto Guzman	Erwin Garrett	Andre Reyes
Elizabeth Garcia	Roel Ruiz	Anna Arreola

Beach Flats Residents and Owners

Carl Pignoli	Vernon Lee	Phil & Jane Baer	Jesus Ruiz
Raul Morales	Maria Gutierrez	Robert Fitch	Jill Vanden Burg
Susan Turner	Terry McElroy	Dave Thomas	Gene Celli
Jane Peichoto	Ben Hashimoto	Marilee Cuevas	Roberto Ruiz
Gilberto Perez	Jesus Bracamontes	Alica Bracamontes	Beatrice Sanchez
Maria Gandara	Pat Starr	Sylvia Martin	Scott Graham
Emilio Martinez	Scott Clark	Patricia Comb	Carol Robles
Sue Wilson	Jesus & Lydia Montesinos	Jose Velasco	Candido Velasco
Candido Velasco	Salvador Magan	Larry McRogers	Simone Young

Beach Hill Neighborhood Association

Gerry Shelley	Lou Bergeron	Matt Douglas	Harold Goehring
Joan Colonna	Sharon Taylor	Robyn Wandzell	Silke Koltumann
Theo Hartman	Frank & Donna Della Corte	Brian Goins	John Weinberg
Brad Smith	Robert & Julie Stega	Jaime Orncas	Craig Reinerman
	Flora Lones	Sheila Carrillo	

South of Laurel Residents

Shaun McElHannon	Joe Urbani	Frank Kensinger
Hank & Sharon Miller	Jayne Urbani	Philip & Kay Hanks
	Anthony Spielman	

Other Residents and Interested Citizens

Barbara Jackson	Denise Holbert	Linda Hofer	Keith Sugar
Craig Miller	Wohn Har	Ed Jones	Paul Brindel
Maria Kingston	Carolyn Fetler	Greg Cole	Doris Parsone
Barbara Showalter	Jan Wolf	Cindy Ellis	Tina Myers
Frank Murphy	Rhys Maruska	Clayton Rost	Arline Haber
Robert Poen	Ned Van Valkenburgh	Tony Guerrero	Ralph Meyberg
Tracy Roberts	John Hilmer	Alan Savat	

Finally, we'd like to take this opportunity to give special thanks to Jane Yokoyama for her commitment to the Beach Area, as a Council member from 1989-1996.

U.C. BERKELEY LIBRARIES



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